ALBERTA SOLICITOR GENERAL

ANNUAL REPORT

2001-2002

Alberta
SOLICITOR GENERAL

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ISBN 07785-2235-0
September 2002

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Preface

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The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The public accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta released June 2002 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Solicitor General contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Solicitor General and the victims of crime regulated fund for which the minister is responsible, and**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Accountability Statement

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The ministry's annual report for the year ended March 31, 2002, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 23, 2002, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Heather Forsyth
Solicitor General

Vision and Mission

Alberta Solicitor General's vision is a democratic and prosperous Alberta based on respect for the law, where all Albertans are safe in their homes and communities.

Our mission is to serve Albertans by promoting safe communities and by communicating with Albertans about the administration of justice.

A Message from the Minister

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I am pleased to present the *Alberta Solicitor General Annual Report* 2001/02.

In 2001/02 Alberta Solicitor General continued to focus on ensuring that Alberta's communities are safe places to live, work and raise families. The tragic events of September 11, 2001 brought security issues to the forefront for Albertans and for government.

My ministry played a major role in ensuring that security and emergency response plans were reviewed and tightened. Alberta Solicitor General played a key role in developing the cross government Crisis Management Plan, and the Security Information Management Unit.

Steps were also taken to ensure that Alberta's courthouses remain safe places for members of the justice system and the general public. Two separate security programs were amalgamated to provide seamless and consistent security. A process is being developed with Alberta Justice and Alberta Infrastructure to fully integrate courthouse security.

Alberta Solicitor General also undertook several programs over the past year to make our communities safer. While Alberta's crime rate continues to be the lowest in Western Canada, we cannot be complacent when it comes to protecting Albertans.

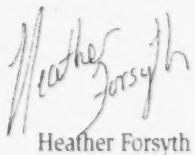
We have made progress over the past year on a national sex offender registry. Alberta has been pressing the federal government since 1997 to establish a national registry that requires convicted sex offenders to provide up to date photographs and information to help police investigations. In February 2002, the federal government finally committed to establishing a truly national registry. Alberta Solicitor General will continue to encourage the federal government to introduce legislation to make registration mandatory for all sex offenders.

My ministry continues to make strides in ensuring that victims of crime play a significant role in the justice system, and are treated with the dignity and respect they deserve. Important amendments to the *Victims of Crime Act* are now in effect. The changes increase the length of time in which a victim may apply for financial benefits, and streamline the review process.

The MLA committee reviewing the *Police Act* and policing issues has completed its report. The results of the review will form the basis for improvements to Alberta's highly effective police services in the years to come.

Alberta Solicitor General will continue to play a key role in several cross-government initiatives, including the Aboriginal Policy Initiative and the Children and Youth Services Initiative. We will also work to find better ways to measure our performance through qualitative and quantitative analysis.

Our goals for the coming year reflect our commitment to keeping Alberta safe. We are working to ensure that appropriate security measures are in place and that policing remains effective. We continue to promote crime prevention activities, especially where they work best, at the community level with community involvement. When crime does happen, we will make sure that programs and services meet the needs of victims. We have established an MLA Corrections Review Committee to ensure that our correctional programs protect Albertans, while providing offenders with opportunities for rehabilitation so that when they are released back into our communities they make positive contributions.



Heather Forsyth
Solicitor General

Management's Responsibility for Reporting

The Ministry of Solicitor General includes the Department of Solicitor General and the Victims of Crime Fund.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Solicitor General. Under the direction of the Solicitor General, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

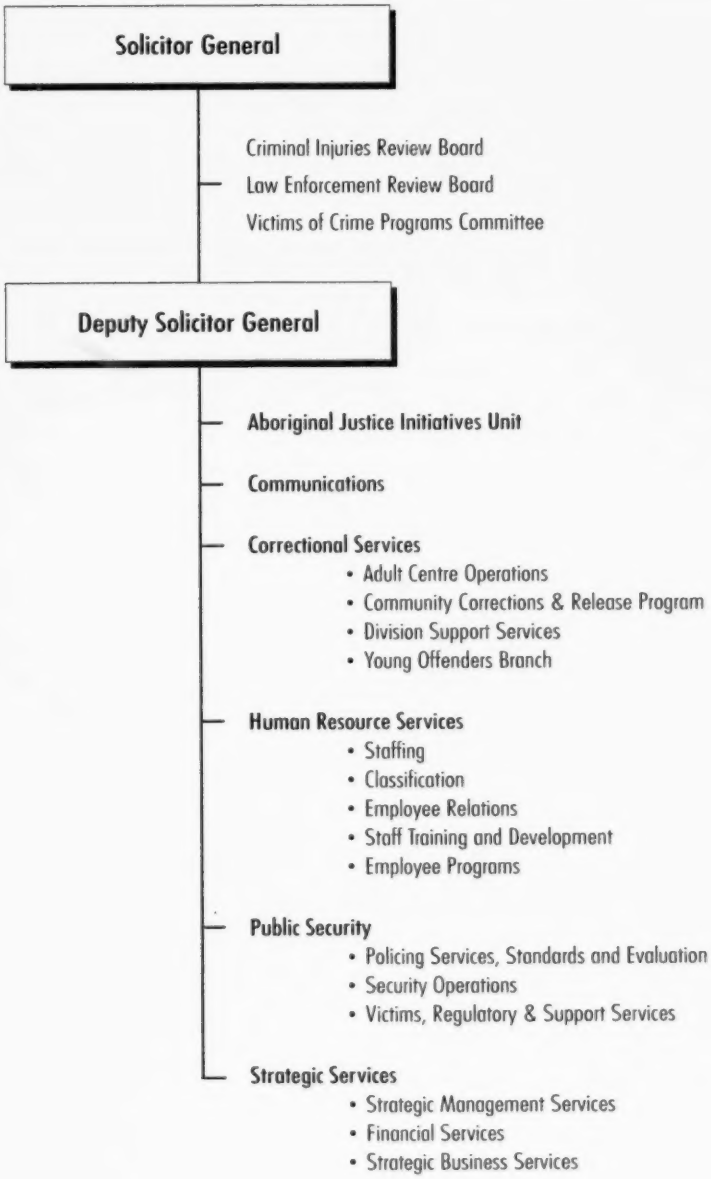
- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the province under ministry administration, provide Executive Council, Treasury Board, the Minister of Finance and the Solicitor General any information needed to fulfill their responsibilities, and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

Jim Nichols
Deputy Solicitor General

September 23, 2002

MINISTRY OVERVIEW



Boards, Agencies and Committees

Criminal Injuries Review Board

The Criminal Injuries Review Board hears requests for reviews concerning the financial benefits paid to victims of crime under the *Victims of Crime Act*. The board may request persons with specialized knowledge to assist with the review and has the power to confirm or vary the decision made by the director. The board has six members, each appointed by the Solicitor General. One member of the board must be a physician.

The Honourable S. Lieberman, Q.C., LLD - Chair

Telephone: (780) 427-7330; Fax: (780) 427-7347

Law Enforcement Review Board

The Law Enforcement Review Board is an independent, quasi-judicial body established under the *Police Act*. The principal activity of the board is to hear appeals from citizens who have filed a complaint regarding the actions of a police officer and who are not satisfied with the disposition of their complaint. Police officers who have been the subject of discipline arising out of a complaint may also appeal to the board. The board also conducts hearings on appeals from private investigators or security guards who have had their licences refused, and from special constables regarding the cancellation of their appointments. The board has a minimum of three members who are appointed by the Lieutenant Governor in Council, with the chairman being an active member of the Law Society of Alberta.

E.W.N. Macdonald, Q.C. - Chair

Telephone: (780) 422-9376; Fax: (780) 422-4782

Victims of Crime Programs Committee

The Victims of Crime Programs Committee is a provincial advisory committee that makes recommendations on grant applications, and programs and services that benefit victims of crime. The committee consists of a minimum of three members who are appointed by the Solicitor General.

R. Smedstad - Chair

Telephone: (780) 427-3460; Fax: (780) 422-4213

Department of Solicitor General

Aboriginal Justice Initiatives Unit

The Aboriginal Justice Initiatives Unit (AJIU) provides support and strategic advice on aboriginal justice issues to the deputy ministers and executive committees of Alberta Justice and Alberta Solicitor General. This includes work on the cross-ministry Aboriginal Policy Initiative, and the Alberta government's goal that, "The well-being and self-reliance of aboriginal people will be comparable with that of other Albertans."

The AJIU liaises with First Nations and Metis authorities, and other key stakeholders, to encourage aboriginal justice initiatives promoting safe communities, good relations between neighbours, and a better understanding of the justice system.

B. Shoush - Director

Telephone: (780) 422-2779; Fax: (780) 427-4670

E-mail Address: bronwyn.shoush@gov.ab.ca

Communications Division

As assigned from the Public Affairs Bureau, the Communications Division provides advice to the department and the minister on strategic communications, issues management and public relations.

J. Olynyk - Director

Telephone: (780) 427-0900; Fax: (780) 427-0771

E-mail Address: jean.olynyk@gov.ab.ca

Correctional Services Division

Correctional Services administers pre-trial supervision, community (probation) and custody sentences through a variety of community and custodial supervision programs for adult and young offenders. It can also supervise alternative sanctions that meet strict eligibility criteria, including adult and young offender Alternative Measures programs, and those administered by adult and youth justice committees.

Correctional Services directly manages eight adult correctional centres and two attendance centres and contracts with an aboriginal organization for the operation of one adult centre. Correctional facilities incarcerate offenders remanded into custody or sentenced to periods of custody up to two years less one day. Alberta correctional centres have seven satellite minimum-security camps, two of which are managed by aboriginal organizations.

The division also manages four young offender correctional centres, two young offender attendance centres and one work camp. An additional camp program and four open custody group homes are operated by non-profit organizations under contract.

The division is responsible for ensuring that correctional services are efficiently operated, and appropriate to the current and anticipated needs of the courts, in addition, that they

protect the community, hold offenders accountable through custody and supervision and work services, and provide offender rehabilitation opportunities.

A. Galet - Assistant Deputy Minister

Telephone: (780) 427-3441; Fax: (780) 427-5905

E-mail Address: arnold.galet@gov.ab.ca

Human Resource Services Division

Human Resource Services provides strategic direction and consultation in the areas of employee/labour relations, staffing, organizational design and change, job evaluation, performance planning, training and development, leadership capacity and wellness.

The division supports the achievement of cross-government and Corporate Human Resource plans and strategies.

S. Perras, Executive Director
Telephone: (780) 427-9617; Fax: (780) 422-9639
E-mail Address: shirley.perras@gov.ab.ca

Public Security Division

Public Security administers the *Police Act*, the *Private Investigators and Security Guards Act*, and the *Victims of Crime Act*. The division is also responsible for implementation of the ministry's Serious and Violent Crime Strategy, the promotion of community-based crime prevention initiatives, monitoring police and setting policing standards.

Under the *Police Act*, the division administers the Provincial Police Service Agreement with Canada for RCMP services, several aboriginal policing initiatives, the Special Constable Program and support for the Law Enforcement Review Board. The division also provides financial benefits to victims of crime and provides funding for victims programs and services under the *Victims of Crime Act*.

Public Security operates the Security Operations Branch and provides court and prisoner, as well as legislative and executive, security services. The branch also offers security consultation for provincial government buildings and maintains a 24-hour security control centre at Government Centre.

R. Dunster - Assistant Deputy Minister
Telephone: (780) 427-3457; Fax: (780) 427-1194
E-Mail Address: bob.dunster@gov.ab.ca

Strategic Services Division

The Strategic Services Division provides strategic information tools and processes to help the department achieve its goals and enhance its effectiveness. The division provides professional services and strategic advice on matters related to cross-government initiatives, business planning and performance measurement, financial administration, information technology/information management strategy, and administrative services.

D. Mercer – Assistant Deputy Minister
Telephone: (780) 427-3301; Fax (780) 422-9639
E-Mail Address: dan.mercer@gov.ab.ca

Operational Overview

Solicitor General had three core business functions in 2001/02.

- *Policing and Crime Prevention:* ensure safe communities in Alberta through adequate and effective policing and the promotion of crime prevention activities.
- *Victim Services:* ensure victims are treated with dignity and respect, and that they receive information and assistance during the police investigation and any criminal court proceedings that may result.
- *Corrections*: maintain effective and efficient correctional programs while ensuring offenders return to the community better able to positively contribute to society.

Safe communities is a shared responsibility. We work to develop and enhance the partnerships required to achieve results in each of these core business functions.

Through education and communication strategies, we improve public knowledge and understanding about policing and crime prevention, victim services and corrections.

Key Factors Influencing Performance

Alberta Solicitor General obtains information about key factors in its external and internal environment to assist in planning its strategic course of action. These factors impose pressures on the justice system in a variety of ways.

Canada's aboriginal population is growing twice as fast as the country's total population and it is proportionally younger. In Alberta, aboriginal people represent approximately 5% of the total population and 38% of the prison population. Alberta Solicitor General needs to rise to the challenge of delivering services to aboriginal people that will support community development and reduce the number of aboriginal people coming into conflict with the law.

Canada has an aging population. An increasing proportion of elderly have heightened susceptibility to, and fear of, crime. Public confidence in the justice system drops as the public's fear of crime increases. There is more widespread and immediate access to information through the media, which in turn increases the fear of crime. While Alberta's overall crime rate remains the lowest in western Canada, Alberta Solicitor General must, through the many programs and services that it provides, continue to promote the public's confidence in the justice system.

In terms of economic trends, Alberta has had a strong and vibrant economy over the past five years. Alberta's growing economy continues to attract new residents from all over the world. Our society is made up of many cultures and languages. It is important that information, especially relating to victims of crime, be available, understandable and more sensitive to cultural diversity.

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In terms of laws and policies, the provincial government is responsible for the administration of justice, and the federal parliament is mainly responsible for criminal law. Federal legislation, as well as judicial decisions, can impose new obligations on Alberta Solicitor General that the minister must manage. Municipalities are responsible for policing within standards, guidelines, and frameworks set out by the provincial government. Crime prevention is promoted both federally and provincially, but is most successful when driven by community initiatives. The provincial and federal governments must work together to provide Canadians with a safe and secure country.

Technology increases the rapid movement of people, capital and information. It has also produced crime that is global in scope. The challenge for Alberta Solicitor General will be to partner with national and international enforcement agencies to produce a credible response to complex global economic and organized crime. New technology also creates opportunities for innovative approaches to improve the efficiency of the justice system in Alberta.

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Highlights - Performance at a Glance

Goals	Measure	Target	Result
Promote safe communities in Alberta	Public perception of safety in the home (pg 20)	95%	99% of Albertans feel "very safe" to "somewhat safe" in their own homes.
	Public perception of safety in the neighbourhood (pg 21)	85%	81% of Albertans indicated that they felt comfortable in their own neighbourhoods.
	Victimization rate (pg 22)	21%	25% of Albertans reported that they were victims of crime in the past year.
	Crime rate (pg 23)	Canadian Rate (7,747)	In 2001, Alberta's crime rate was 9,050 per 100,000.
	Public satisfaction with the level of policing (pg 24)	85%	82% of Albertans reported that they were satisfied with policing in the province.
Provide services to victims of crime	Number of Alberta community initiatives that work in partnership with Alberta Solicitor General (pg 25)	226	In 2001-02, there was a total of 257 community initiatives in Alberta.
	Satisfaction rate with services provided for applicants who apply for victim financial benefits (pg 26)	80%	The result for 2001-02 was 69% satisfaction.
Facilitate the rehabilitation of offenders	Outcome of correctional sanctions: successful completion of young offender probation dispositions (pg 27)	65%	62% of young offenders dispositions were successfully completed.
	Outcome of correctional sanctions: successful completion of adult probation sentences (pg 28)	70%	69% of adult probation dispositions were successfully completed.
	Successful completion of temporary absence supervision (pg 29)	98.5%	99.7% of offenders successfully completed their temporary absence supervision.
	Percent of offenders involved in work, education, treatment or life management programs (pg 30)	90%	80% of offenders were involved in work, education, treatment or life management programs.
	Number of hours of community service (pg 31)	1.1 million	In 2001-02, offenders completed 883,475 hours of community service.

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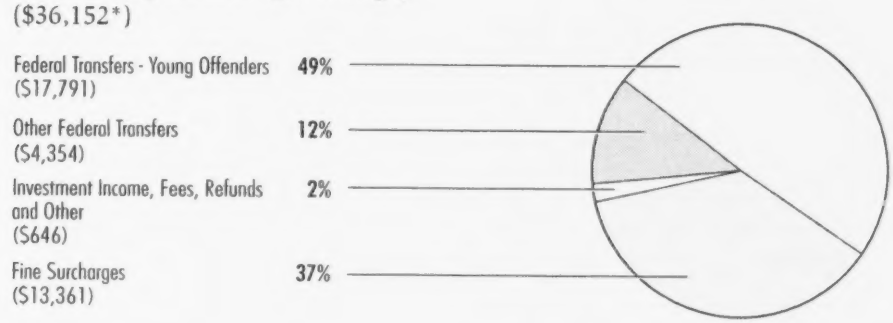
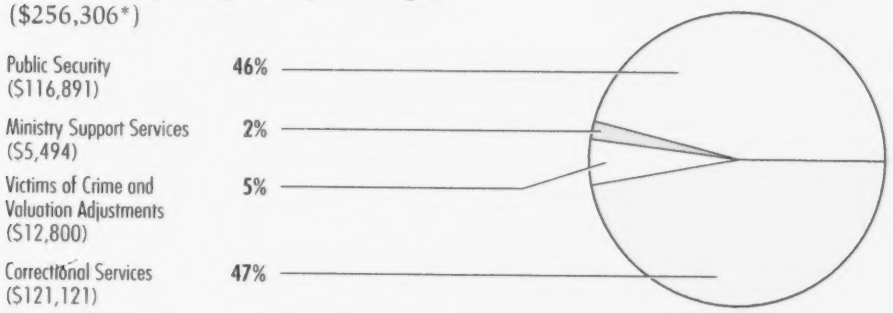
Highlights – Financial

Revenue by Source (percentage)
($36,152*)


Federal Transfers - Young Offenders ($17,791) 49%
Other Federal Transfers ($4,354) 12%
Investment Income, Fees, Refunds and Other ($646) 2%
Fine Surcharges ($13,361) 37%

Expenses by Program (percentage)
($256,306*)


Public Security ($116,891) 46%
Ministry Support Services ($5,494) 2%
Victims of Crime and Valuation Adjustments ($12,800) 5%
Correctional Services ($121,121) 47%

*Dollar amounts are shown in thousands

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Analysis of Key Activities

As a new ministry in 2001/02, Alberta Solicitor General focused on reviewing two of its core businesses – policing and victim services. The tragic events of September 11, 2001 brought increased focus on security concerns, especially in relation to the G8 Summit in Kananaskis Country. Fiscal measures introduced in response to the world economic downturn after September 11 required the department to close some correctional programs and eliminate discretionary funding of community-based crime prevention and restorative justice programs.

Public consultations

Policing review

- The MLA committee appointed to look at key issues relating to policing and the *Police Act* forwarded its report to the Solicitor General in February 2002.
- The committee was asked to recommend changes where members feel they are needed. It was the first comprehensive review of the *Police Act* since 1988.
- Input was received from Albertans and policing stakeholders.
- The implications and costs of the committee's recommendations are being carefully considered.

Policing standards

- A draft Alberta policing standards manual was developed and approved by the Alberta policing standards steering committee. The draft manual was circulated to stakeholders for review and comment and was posted on the Alberta Solicitor General web site for public input. Revisions to the draft manual were made.
- Implementation will proceed in the context of recommendations from the MLA policing review committee.

Victims of crime legislation, programs and services review

- An MLA committee was appointed in September 2001 to develop a ten-year vision for victims' programs and services in Alberta, and consult with stakeholders on legislative and policy changes to provide a more meaningful role for victims in the criminal justice system. A report with recommendations will be submitted to the Solicitor General before the end of 2002.

Program initiatives

Alberta government security measures

- Alberta Solicitor General assisted in ensuring that security and emergency response plans were reviewed and tightened in the wake of the September 11 terrorist attacks.
- Appropriate security measures were implemented at the Alberta Legislature, Government House, the McDougall Centre, and the Legislature Annex to ensure the safety and security of employees and members of the public who visit the buildings.
- Alberta Solicitor General played a key role in developing the cross government Crisis Management Process, and the Security Information Management Unit.

Court security

- A plan is being developed among Alberta Solicitor General, the judiciary, Alberta Justice and Alberta Infrastructure to fully integrate courthouse security.

- Two security programs at Alberta's courthouses were amalgamated under Alberta Solicitor General to provide seamless and consistent security at the facilities.

Fetal Alcohol Syndrome

- Alberta Solicitor General has undertaken a number of initiatives related to fetal alcohol syndrome (FAS).
- All new adult and young offender centre employees take FAS awareness training. Awareness training was provided to 600 front-line constables at the Edmonton Police Service.
- Alberta Solicitor General also coordinates its approach to FAS with the police and Crown, other Alberta partners, and Saskatchewan, British Columbia, Manitoba, the Northwest Territories, Yukon, Nunavut and Alaska.

G8 Summit security planning

- Alberta Solicitor General oversaw the province's security interests by working with several security forces and the security-planning group to ensure appropriate security measures were in place for the G8 Summit in Kananaskis Country, and that the federal government had made a firm commitment to reimburse security-related costs to the province.

High-risk offender web pages

- Alberta Solicitor General developed a proposal to add information on high-risk offenders released back into the community to the ministry's web site to help protect children and other vulnerable groups, and enhance public safety.
- The proposal outlined the inclusion of information about offenders who present a risk of significant harm and about whom a public notification has been made by the Chief of Police or the Assistant Commissioner of the RCMP.

Mental health programs for young offenders

- Alberta Solicitor General created mental health units at the Calgary and Edmonton young offender centres with enhanced staffing; introduced additional psychological services; introduced new programs to meet the therapeutic needs of female offenders; and increased training for staff to help them deal appropriately with youth who have mental health issues.

Sex offender registry

- Alberta Solicitor General worked toward establishing a provincial sex offender registry.
- As a result of pressure applied by Alberta and Ontario, in February 2002, the federal government committed to establishing a national registry. Alberta Solicitor General will continue to pressure the federal government to introduce legislation to make registration mandatory for all sex offenders.

Legislative and policy changes

Victims of Crime Act

- Amendments to the *Victims of Crime Act* came into effect November 1, 2001. The changes increase the length of time in which a victim may apply to the Financial Benefits Program and streamline the review process.

Message from the Deputy Minister

Alberta Solicitor General was created as a separate and equal ministry in March 2001. In our first year, we faced some challenges and we also accomplished a lot.

World events – especially the horror of September 11, 2001 – focused our efforts on ensuring appropriate security measures are in place in Alberta. The ministry also played an important role in security preparations for the G8 Summit in Alberta.

Despite the increased spectre of international terrorism and crime, Albertans feel safer in their homes and neighbourhoods than last year. Albertans were also less likely to say that crime has increased in their neighbourhoods. In addition, public satisfaction with policing in Alberta increased over last year with more Albertans saying they are "very satisfied" with policing.

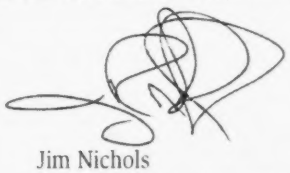
New legislation was put in place to make the Victims of Crime Fund program more user friendly. I'm proud to say that those who have applied for financial benefits under the program are finding the services they receive more helpful to them.

The fiscal realities due to the downturn in the world economy after the September 11 terrorist attacks had a profound effect on our ministry. While the Alberta government was in a better fiscal position than most to weather this storm, we still felt the effects. We had already made some difficult decisions in closing one adult correctional centre and one adult camp. We also closed one young offender camp, and temporarily closed another for several months. Discretionary funding for crime prevention and restorative justice programs was eliminated. Through all of this no permanent full-time jobs were eliminated.

However, these steps did have an effect on our ability to reach some of our goals. Hours of community service work provided by offenders are down, along with the percent of offenders who were involved in work, education, treatment or life management programs. But our basic philosophy has not changed; offenders who are physically able must take part in work or educational programs.

As a new ministry we established some new goals and targets this year. Some of those are what are called "stretch targets." We knew they would be difficult to attain, but we set our sights high to provide incentive for improvement. We reached for the stars but kept our feet firmly planted on the ground. Progress we've made on these stretch targets makes me confident that we will soon surpass them.

Even though we've managed to achieve all this and more in our first year, we are constantly looking for ways to get better. We continue to build upon our strong relationships with our community partners. Protecting the safety of Albertans is something that we, and our community partners, take seriously. This report contains a summary of our accomplishments. But, it does not even begin to touch on all the achievements of the volunteers, community groups, police agencies and others who work on the front lines every day providing services to Albertans to ensure that our communities remain safe places for us all to live, work and raise families.



Jim Nichols
Deputy Solicitor General

Core Business

Solicitor General - Expense by Core Business

(thousands of dollars)

EXPENSE	2001-02 Budget	2001-02 Actual	2000-01 Actual
Core Business			
Policing and Crime Prevention	123,641	119,340	104,793
Corrections	117,612	123,659	114,631
Victim's Services	11,881	13,307	7,935
MINISTRY EXPENSE	**253,135**	**256,306**	**227,359**

Policing and Crime Prevention: ensure safe communities in Alberta through adequate and effective policing and the promotion of crime prevention activities.

Corrections: maintain effective and efficient correctional programs while ensuring offenders return to the community better able to positively contribute to society.

Victim Services: ensure victims are treated with dignity and respect, and that they receive information and assistance during the police investigation and any criminal court proceedings that may result.

AUDITOR GENERAL
Alberta

REPORT OF THE AUDITOR GENERAL ON THE RESULTS OF APPLYING SPECIFIED AUDITING PROCEDURES TO PERFORMANCE MEASURES

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Solicitor General's measures included in the *2001-2002 Annual Report of the Ministry of the Solicitor General* as presented on pages 20 to 32.

1. Information obtained from an independent source was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.

2. The calculations that converted source information into reported measures were tested.

3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit, and therefore I express no opinion on the performance measures included in the *2001-2002 Annual Report of the Ministry of the Solicitor General.*

Fred J. Dunn CA
Auditor General

Edmonton, Alberta
August 2, 2002

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Goals and Measures

The provincial election in March 2001 led to many changes across government, including the creation of two separate ministries from the former Department of Justice — Alberta Justice and Attorney General, and Alberta Solicitor General. In this split, Criminal Justice, Legal Services and Court Services became part of Justice. This allowed the new Department of Solicitor General to focus more strongly on promoting safe communities, providing services to victims, and facilitating the rehabilitation of offenders.

In delivering our core businesses, in 2001/02 Alberta Solicitor General committed to fulfilling its vision, mission and mandate through three business plan goals. The Alberta government's priority is preserving a safe society for Albertans where justice prevails.

Goal 1: Promote safe communities in Alberta

Albertans tell us they want peaceful communities where they can live, work and raise families in safety and security without fear of crime or victimization. Drug dealing, prostitution, internet fraud and other forms of organized crime are especially unacceptable to Albertans. While each goal is important, virtually everything Alberta Solicitor General does is tested against the goal of safe communities.

Public perception of safety in the home

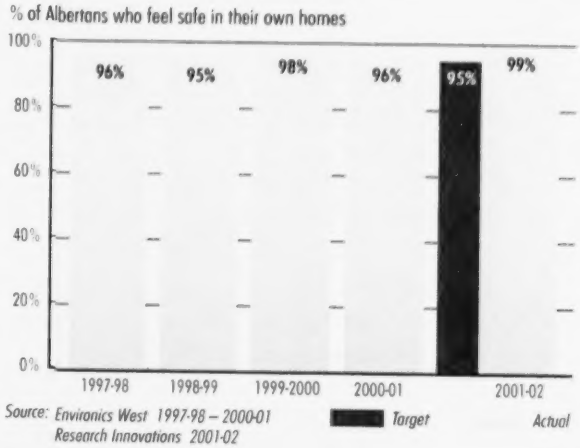
If Albertans are to feel safe in their communities, they must first feel safe in their homes. To help assess our success at achieving our goal of safe communities, Alberta Solicitor General used survey results to measure the level of safety Albertans feel when in their homes. Results of the 2001/02 survey show that 99 per cent of Albertans feel "very safe" to "somewhat safe" in their own homes. The public's perceived level of safety is significantly higher than that recorded last year (96 per cent). We also exceeded our target of 95 per cent in 2000/01.

Those people who feel "very safe" in their own home have increased significantly from 69 per cent in 2000/01 to 72 per cent in 2001/02. Recent victims of crime are less likely to feel safe in their own home. Females (67 per cent) and victims of crime in the past 12 months (62 per cent) were less likely to say that they feel very safe.

For methodology see page 45.

GRAPH 1

Public Perception of Safety in the Home



Source: *Environics West 1997-98 – 2000-01*
Research Innovations 2001-02

Public perception of safety in the neighbourhood

Another measure of the ministry's success at promoting safe communities is the extent to which Albertans feel safe in their neighbourhoods. Since 1996, we have been measuring whether Albertans feel "very comfortable" to "somewhat comfortable" walking alone in their own neighbourhoods at night.

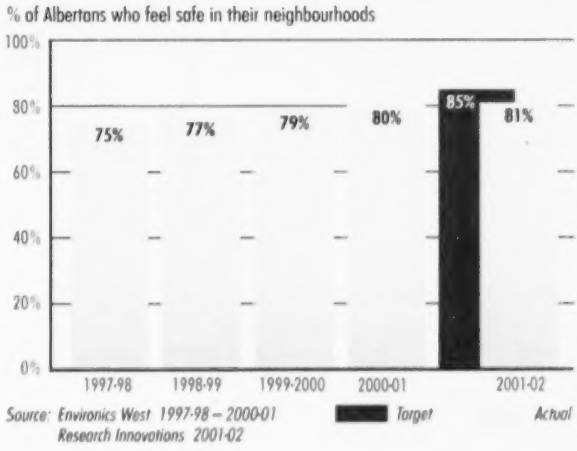
Most Albertans (81 per cent) said they are very (44 per cent) or somewhat (37 per cent) comfortable walking alone at night in their neighbourhood, a two per cent increase since 2000 (79 per cent).

There were lower comfort levels among divorced, separated or widowed respondents; respondents living in households earning less than $30,000 per year; females; those with less than high school education; and respondents 65 years of age or older.

The target for this measure in 2001/02 was 85 per cent, a five per cent increase from the 2000/01 target. It is a "stretch target" for the ministry, one that is known to be not likely achievable in the short term but that provides incentive for improvement. Given the steadily improving results, this target may be achieved in the near future.

GRAPH 2

Public Perception of Safety in the Neighbourhood



Source: Environics West 1997-98 – 2000-01
Research Innovations 2001-02

In 2001/02 Albertans were less likely to say that crime increased in their neighbourhood over the last three years. This measure dropped from 42 per cent in 2000, to 31 per cent in 2001/02. Only about one-third of Albertans (34 per cent) said that crime in their neighbourhood is a very or somewhat serious problem.

The ministry's programs related to crime prevention and corrections are intended to improve levels of public perception of safety in the neighbourhood. Crime prevention programs and community initiatives raise public awareness of the real risks of crime and how to avoid victimization.

For methodology see page 45.

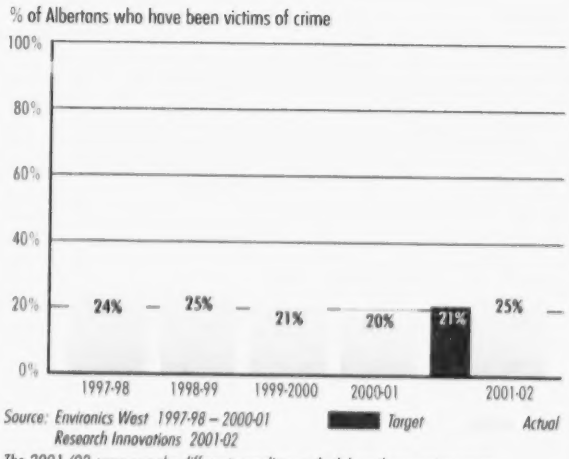
Victimization rate

Albertans tell us that they want peaceful and orderly communities where they can live, work and raise families in safety and security without fear of crime or victimization. To this end, Alberta Solicitor General is committed to promoting safe communities in Alberta. Victimization rate is a necessary adjunct to our crime rate measure because of the high level of unreported crime. A victimization survey such as that conducted by Alberta Solicitor General captures crime numbers not reported to police, in addition to those that are reported.

In a telephone survey, Albertans were asked "How many times, if at all, have you yourself been a victim of crime in the past year?" In 2001/02, 25 per cent of Albertans reported that they were victims of crime. The result is comparable to the findings of the 1999 national General Social Survey of Canadians age 15 and over.

GRAPH 3

Victimization Rate



Source: Environics West 1997-98 – 2000-01
Research Innovations 2001-02

The 2001/02 survey used a different sampling methodology than previous years. In the 2001/02 survey, quotas were set to ensure that the final sample of adult Albertans was representative by age, gender and geographic region. Quotas were not set for age in previous surveys, resulting in young adults being under represented.

The 2001/02 result is four per cent above the target for the 2001/02 year (21 per cent) and five per cent higher than the 2000/01 result. The increase is most likely due to the different sampling method used in 2002. In 2002, quotas were set to ensure that the final sample of adult Albertans was representative by age, gender and geographic region (based on the 1996 census). In previous surveys, quotas were not set for age, and young adults were under-represented in the final survey sample. Young adults are much more likely to be victims of crime (41 per cent of 18 to 24 year olds were victims in the past year, compared to only eight per cent of those age 65 or older). Much of the difference in the victimization rate between the two survey years (2001/2002) is attributable to the fact that a higher percentage of young adults participated in the 2002 survey.

For methodology see page 45.

Crime rate

Unlike victimization, which measures both reported and unreported crime; crime rate is the official measure of police-reported crime. The ministry acknowledges the public's expectations of the department in reducing crime rate, even though there are many factors that contribute to the outcome of this measure that are beyond the ministry's control.

The ministry's target for this measure was to lower the provincial crime rate to equal the Canadian rate. In 2000, Alberta's crime rate was 8,822 per one hundred thousand population. In 2001 this rate rose to 9,050 per one hundred thousand and is above the national rate by eight per cent. Alberta's crime rate rose by 3.9% while the national rate rose by 1.3%. Canada's crime rate in 2001 was 7,747 per one hundred thousand. Overall, the crime rate increased in six of the ten provinces and in all three territories.

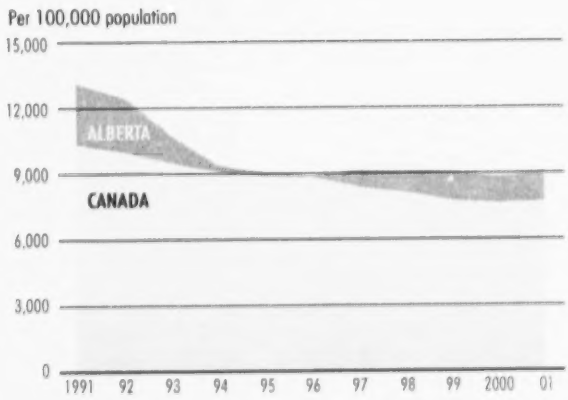
Both Canada's and Alberta's 2001 crime rates are lower than they were during the 1990s. In 1990, Alberta's crime rate was 21% above the national rate whereas in 2001, it was sixteen per cent above the national rate.

The increase in Alberta's overall crime rate in 2001 was driven by a 10.3% increase in the rate of "other" *Criminal Code* offences and a 3.8% increase in violent crime. The property crime rate continued to drop, showing a one per cent decline in 2001. "Other" *Criminal Code* offences include offences such as: prostitution, gaming, weapons, and vandalism.

Crime rates traditionally have been higher in western Canadian provinces, including Alberta. There are a number of possible explanations for this. Alberta has a younger, more mobile population and a higher proportion of aboriginal people than most other Canadian jurisdictions. These population groups tend to be over-represented as offenders and as victims of crime. Alberta continues to have the lowest crime rate of all the western provinces.

GRAPH 4

Crime Rate



Source: Canadian Centre for Justice Statistics, Crime Statistics in Canada 1991 - 2001. Catalogue No. 85-002-XIE Vol. 22 No. 6

Crime rates also may vary somewhat from jurisdiction to jurisdiction due to differences in enforcement methods or the rate of reporting crimes to police by the public. Policing practices and administrative approaches to crime are influential in crime rates and vary by province and territory.

Internationally, the United States has higher rates of violent crime, while Canada generally has higher property crime rates. Reported crime rates in England and Wales are similar to Canadian statistics between 1992-2001.

For methodology see page 45.

Public satisfaction with the level of policing

Another measure to assess the ministry's success at promoting safe communities in Alberta is the satisfaction Albertans have with the level of policing in the province. Policing plays a key role in achieving the goal of safe communities. This measure allows the ministry to evaluate the public's satisfaction with this important core business function. Policing issues are of great interest to taxpayers and the public, and are an important priority for the ministry.

Alberta Solicitor General has been measuring over the last five years the extent to which Albertans feel "very satisfied" to "somewhat satisfied" with policing. Our target for this measure in 2001/02 was 85 per cent. In 2001/02, 82 per cent of Albertans reported that they were satisfied with policing in the province. This is a two per cent increase from last year's result and while the overall level of satisfaction is below the target, we note that the percentage of respondents who are very satisfied (25.5 per cent) continued to increase from 20 per cent in 1996. Victims of crime in the past year were generally less satisfied (73 per cent).

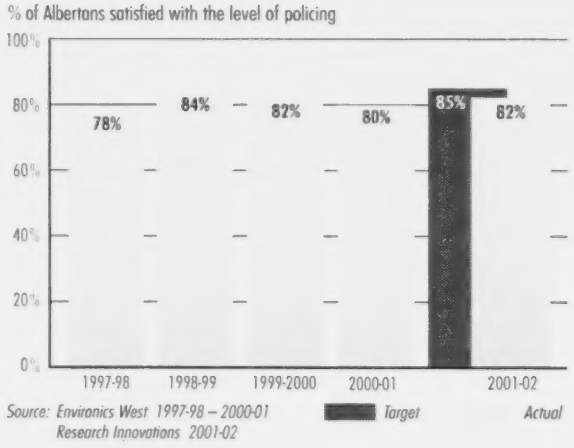
Public confidence in the ministry and provincial policing services is affected by fear of crime. Those Albertans who are more fearful are more likely to perceive policing as unsatisfactory. Our survey also found that people who have no recent victimization experience and persons comfortable with their overall personal safety have the most positive views of policing in Alberta.

The target of 85 per cent is seen as a stretch target for the ministry; a target that is not immediately achievable but which provides incentive for future improvement. Should satisfaction continue to rise the ministry may achieve this target in the near future.

For methodology see page 45.

GRAPH 5

Public Satisfaction with the Level of Policing



Source: Environics West 1997-98 – 2000-01
Research Innovations 2001-02

Goal 2: Provide services to victims of crime

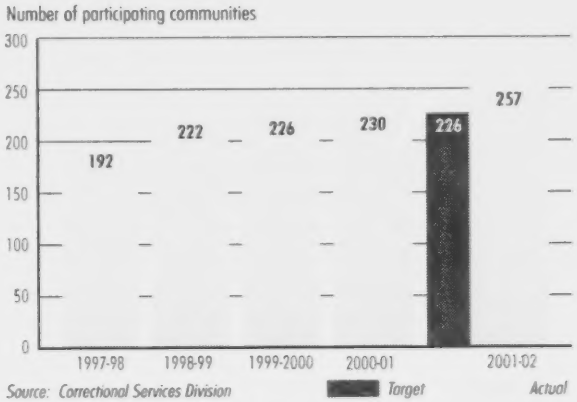
Recognizing the needs of the victim in the criminal justice system helps restore the balance of society in a humane and fair way, and is an important goal of our justice system. Alberta Solicitor General is committed to providing effective services to victims of crime and expanding the role of the victim in the criminal justice system.

Number of Alberta community initiatives that work in partnership with Alberta Solicitor General

To make the justice system more effective in Alberta, there are a number of justice initiatives throughout the province that involve community participation. These initiatives include citizen advisory committees, youth justice committees, community and police-based victims' services programs, First Nation police services, and First Nation crime prevention programs. This measure represents the total number of community initiatives in partnership with the Alberta Solicitor General. These initiatives were selected as they have a significant partnering component with the community. In the case of citizen advisory committees, youth justice committees and victims' services units, there is a very significant volunteer component. In the case of First Nations police services and aboriginal crime prevention programs, the community itself has been engaged to provide justice services to community members.

GRAPH 6

Alberta Community Initiatives that Work in Partnership with Alberta Solicitor General



Source: Correctional Services Division and Public Security Division

The target for this measure for 2001/02 was 226 community initiatives. The ministry exceeded this target with a total of 257 initiatives.

Below is a breakdown of the number of community initiatives working with the Alberta Solicitor General during 2001/02:

Reserves policed by First Nation police services:	15
Detachments and police services with police-based victims' services programs:	107
Non-police victims' programs:	12
Reserves and Metis settlements with crime prevention programs:	25
Youth justice committees:	92
Citizen advisory committees:	6
Total	**257**

Because victims' services units are police-based, their numbers are restricted to the number of police services and detachments in the province. Only small growth in this area should be expected in the future.

For methodology see page 46.

Satisfaction rate with services provided for applicants who apply for Victim Financial Benefits

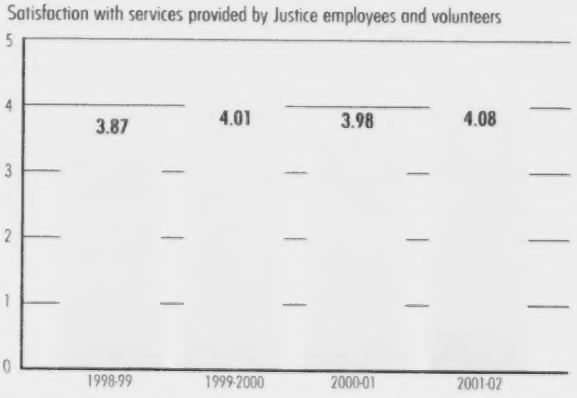
The *Victims of Crime Act* provides financial benefits for innocent victims injured during the commission of a crime and helps fund organizations that assist crime victims. Under the *Act*, funding for these programs is provided by surcharges collected on provincial offence fines, and surcharges imposed by the courts under the *Criminal Code* of Canada.

The *Victims of Crime Act* provides for financial benefits to be paid to eligible individuals who have incurred physical or emotional injury as a result of violent crime in Alberta. Those injured during a crime may be eligible for a one-time financial benefit based on the severity of injuries sustained. This program does not cover property damage or loss due to crime. When the crime results in death, dependants of the victim may be eligible for financial benefits. Likewise, a legal guardian may apply on behalf of minors or dependent adults.

Since 1998/99, Alberta Solicitor General has been surveying victims who applied for financial benefits to assess their satisfaction with the services they received. The satisfaction measurement is one indicator of whether victims of crime feel they have been assisted during the aftermath of a crime.

GRAPH 7

Victim Satisfaction with Services Provided



Source: Public Security Division

Those applying for financial benefits are asked to rate matters such as the helpfulness of their referring agency, and the helpfulness of the overall service provided to them in the justice system.

In 2001-02 a new method of analyzing survey results was implemented. Alberta Solicitor General analyzed surveys for the per cent of satisfied respondents as well as calculating the overall weighted average score of the questionnaires on a five-point scale.

In the 2001/2004 business plan, Alberta Solicitor General committed to reporting the performance measure as a percentage of satisfied respondents. Therefore, a new method of analyzing survey results was implemented in 2001-02 which analyzed surveys for the per cent of satisfied respondents. To provide continuity, the previous method, the overall weighted average score of the questionnaires on a five-point scale, was also calculated.

The 2001/2004 business plan target for victim satisfaction was set at 80 per cent. This was a stretch target for the ministry: one that is unlikely achievable in the short term, but that represents a desirable level of performance. The 2001-02 results indicated a 69 per cent satisfaction level with services received within the justice system.

Using the previous method of calculation, the result for this measure in 2001-02 was 4.08. The result indicates that respondents reported, by an overall score of 4.08 out of five, that they were satisfied with services received within the justice system. This result was a .1 point improvement over last year's result of 3.98 out of 5.

In future years the ministry will be reverting back to the weighted average score method of calculation. This method allows the ministry to compare the survey results over time and other victim satisfaction survey results collected by the ministry.

For methodology see page 46.

Goal 3: Facilitate the rehabilitation of offenders.

When an individual engages in criminal activity, it is to the advantage of all Albertans that the individual be held accountable and encouraged to become a law-abiding member of society. It is important to recognize that for many offenders there is a root cause embedded in mental health problems or addictions. Unless we can identify and deal with these problems, both within and outside the justice system, we will simply be housing repeat and even more serious offenders. While the onus for change rests with the individual, it is believed that change can be facilitated by providing offenders with assistance and opportunities that promote positive and productive behaviour.

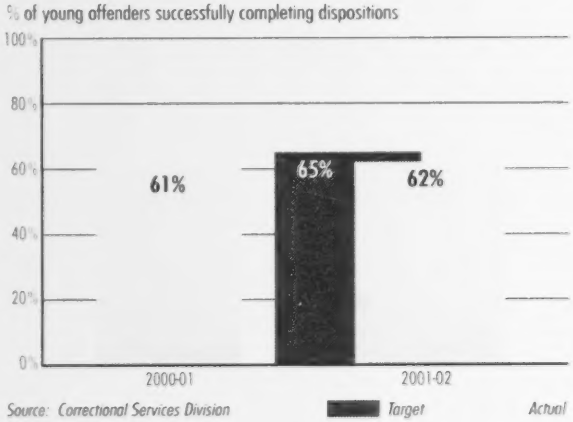
Successful completion of young offender probation dispositions

This is a new key measure tracking the successful completion of a period of supervision in the community by youths, as ordered by the courts, under conditions prescribed in a probation order.

During the 2001/02 fiscal year, 62 per cent of youths with probation dispositions successfully completed their periods of supervision. This is less than the target of 65 per cent and slightly higher than the 61 per cent of youths who successfully completed periods of supervision in 2000/01.

GRAPH 8

Completion of Young Offender Probation Dispositions



Source: Correctional Services Division

A successful probation disposition termination is one where the offender responds well to correctional supervision and does not lapse into further criminal behaviour while subject to correctional intervention.

Review of the percentage of successful completion of young offender probation dispositions allows the ministry to enhance efficiency of correctional services and assess the effectiveness of correctional programming offered in a community setting.

While the ministry works towards high compliance by offenders with court orders, history shows that a number of influences upon an offender's behaviour during the period he or she is under supervision can impact the actual rate of compliance. It is important to note that the courts select those offenders to be supervised in the community under probation dispositions; the role of community corrections is to enforce the orders or report non-compliance.

The target for the measure is based on historical results. The target for successful completion of young offender probation dispositions is lower than the target for the successful completion by adults because youth are more impulsive by nature.

For methodology see page 47.

Successful completion of adult probation sentences

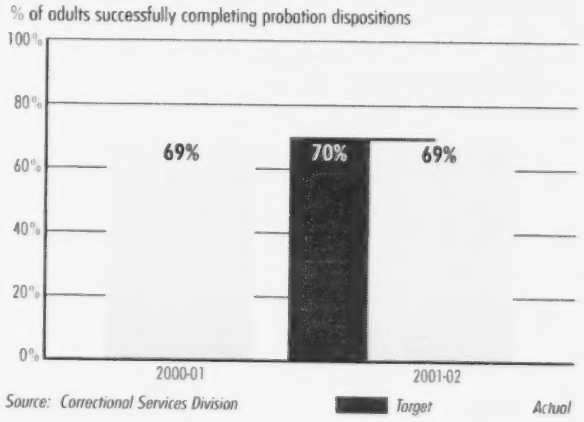
This is a new key measure that tracks the successful completion of a period of supervision in the community by adults as ordered by the courts under conditions prescribed in a probation order.

During the 2001/02 fiscal year, 69 per cent of adults with probation dispositions successfully completed their periods of supervision. This is slightly less than the target of 70 per cent but consistent with the 69 per cent of adults who successfully completed periods of supervision in 2000/01.

A successful probation disposition termination is one where the offender responded well to correctional supervision and did not lapse into further criminal behaviour while subject to correctional intervention.

GRAPH 9

Completion of Adult Probation Sentences



Review of the percentage of successful completion of adult probation dispositions allows the ministry to enhance the efficiency of correctional services and assess the effectiveness of correctional programming offered in a community setting.

While the ministry works towards high compliance by offenders with court orders, history shows that a number of influences upon an offender's behaviour during the period he or she is under supervision can affect the actual rate of compliance. It is important to note that the courts select the offenders who are supervised in the community under probation dispositions; the role of community corrections is to enforce the orders or to report non-compliance.

The target for the measure is based on historical results. The target for successful completion of adult probation dispositions is higher than the target for the successful completion by youth because youth are more impulsive by nature.

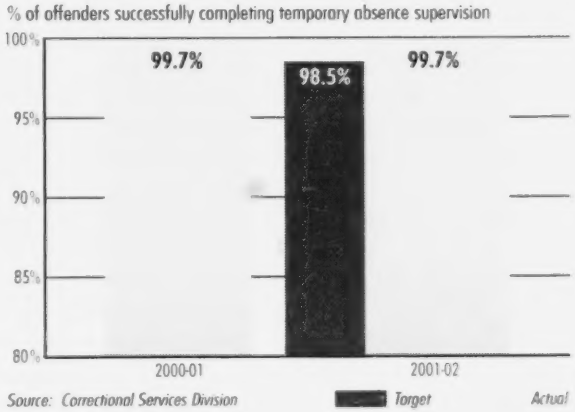
For methodology see page 47.

Successful completion of temporary absence supervision

This measure reflects the percentage of offenders on temporary absence who do not incur a new charge while under supervision in the community as part of their sentence. In part, this measure assesses the ability of decision makers to make a correct determination of the offender's ability to remain in the community without becoming involved with further criminal activity for the duration of the sentence.

GRAPH 10

Completion of Temporary Absence Supervision



In 2001/02 the target for the measure was 98.5 per cent. The result of 99.7 per cent exceeded the target and was unchanged from 2000/01.

The temporary absence program allows for the release, under supervision, of selected low-risk offenders, including intermittent sentenced offenders and fine defaulters. Offenders released under the temporary absence program are involved in work, rehabilitative programs, or community service work.

Successful completion of the temporary absence program indicates the accuracy of staff in making each release decision and the quality of supervision that assists these offenders to be successfully supervised in community settings.

When selecting certain low risk offenders for temporary absence consideration, decision makers assess, among other things, if an incarcerated offender demonstrates a consistently positive attitude towards becoming a law-abiding citizen once released to temporary absence supervision.

Successful completion of temporary absence supervision was first adopted as a key measure for the 2001/02 fiscal year. The target for the measure was based on historical results. During each of the last two fiscal years, less than one per cent of offenders incurred a new charge while on temporary absence supervision, irrespective of whether or not they were subsequently convicted of that offense.

For methodology see page 47.

Percent of offenders involved in work, education, treatment or life management programs

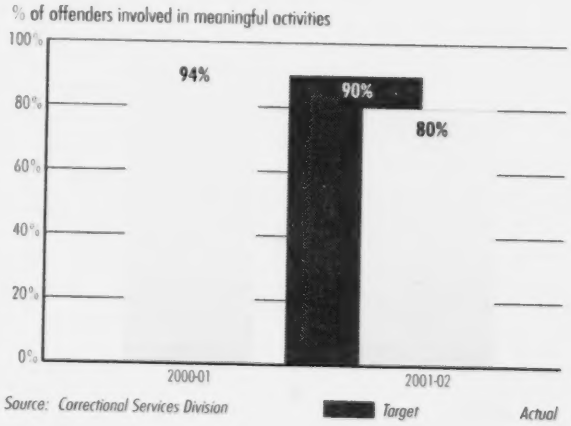
This measure reflects the percentage of sentenced adult offenders and sentenced and remanded young offenders involved in work, education and life management programs. These activities are important in preparing offenders for successful integration into the community.

In 2001/02, the ministry's target for this measure was 90 per cent. Our actual result for 2001/02 is below target; 80 per cent of offenders were involved in work, education, treatment or life management programs. Not all offenders are able to participate in work, education, treatment or life improvement programs, as they may be in transit, in court, medically excused or otherwise unavailable.

At the beginning of the fiscal year, a large portion of the offenders were moved from the Calgary Correctional Centre to other centres so renovations to the Calgary facility could be completed. During this period, fewer program offerings could be made available to offenders at the Calgary Correctional Centre. Also, the opportunity for offenders to participate in programs at other facilities was reduced because programs at the other centers were already operating at or near capacity.

GRAPH 11

Offenders involved in Work, Education, Treatment or Life Management Programs



Source: Correctional Services Division

Program activities are divided into three broad categories: employment and work programs, counseling or treatment programs, and education/vocational programs. Under the provisions of the *Corrections Act* all sentenced offenders who are not otherwise enrolled in treatment or educational programs, and who are deemed physically able, are required to work during their period of incarceration. Work programs help instill a positive work ethic and enable offenders to spend their time in custody engaged in productive pursuits. In many cases, the work programs also help reduce operating costs.

Work activities may include, but are not limited to: laundry, carpentry, food preparation, automotive repair and community service work projects. Counselling and treatment programs address the needs of offenders, particularly in the areas of family violence, anger management, life skills and addictions. Education programs focus on improving an offender's literacy skills to enable the offender to function more successfully in the community. Vocational training includes entry-level courses in such areas as building service worker, kitchen worker, auto mechanic, metalworker, carpentry, workplace safety and First Aid/CPR, as well as employment skills and job readiness training.

In 2001/02, the name of this measure was changed to "Per cent of offenders involved in work, education, treatment and life management programs" from "Number of offenders involved in meaningful activities".

For methodology see page 48.

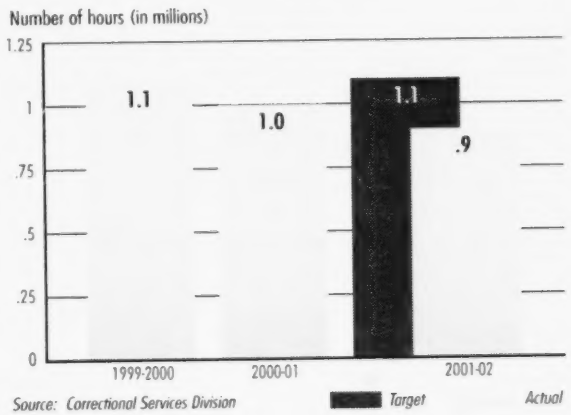
Number of hours of community service

This measure reflects the number of hours of community service performed by offenders in custody who are housed in provincial centers, camps and group homes, and by offenders serving their sentence in the community. Community service work is a program that provides offenders with an opportunity to contribute to their communities and to learn positive work habits. Projects are completed for non-profit organizations, community groups, municipalities and government ministries.

By providing opportunities for offenders to give something positive back to Alberta communities, the offender work service contribution also supports the objective of expanding restorative and community justice approaches.

GRAPH 12

Number of Hours of Community Service



Source: Correctional Services Division

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This is the second year this measure has been included in the annual report. Last year's target of 1 million hours was exceeded, as 1,029,573 hours of community service were logged. In light of this result, the target for 2001-02 was raised to 1.1 million hours. In 2001-02, however, 883,475 hours were recorded.

A number of factors affected the number of hours of community service work by offenders during the 2001-02 fiscal year, resulting in fewer hours being logged than anticipated.

Consistent with government-wide budget reduction targets, one adult correctional centre, one adult camp and one camp for young offenders were closed during 2001-02. A second young offender camp was temporarily closed for several months. The closures of these minimum security facilities, while helping to meet budget targets, resulted in fewer sites from which offenders were able to provide community service work.

A considerable amount of community service work is performed by offenders already in the community who are subject to a court order directing them to perform certain work as part of a condition of community supervision, or in lieu of paying a fine. Probation officers supervise these offenders.

A comparison of six months data between last fiscal year and this one indicates there has been a decline in the number of both adult and young offenders accepted under the pre-institutional fine option program. Data for 2000-01 indicates that 86 per cent of the fines in Alberta were satisfied by payment while for the period April to December 2001 the percentage increased to 89 per cent. Since more people are choosing to pay their fines, fewer appear to be choosing to contribute to community service.

For methodology see page 48.

ANNUAL REPORT 2001-2002

Strategic Objectives and Accomplishments

The 2001-2004 Solicitor General Business Plan outlines five strategic objectives in addition to our goals and performance measures. The ministry undertook a variety of initiatives to implement these objectives. Outlined below are our 2001-02 achievements toward these initiatives.

Strategic Objective 1: Policing and Crime Prevention

Augment crime prevention initiatives by expanding the Provincial Crime Prevention Strategy and support the National Strategy on Community Safety and Crime Prevention.

An agreement was reached with the Lesser Slave Lake Regional Council to fund a Crime Prevention Coordinator and program support to eight reserves. This increases the total number of reserves with crime prevention coordinators to 17.

Provincial service agreements were signed with the Alberta Community Crime Prevention Association (ACCPA), the Alberta Association of School Resource Officers (AASRO), Heads Up Against Fraud Association and the Alberta Rural Crime Watch Association. Each association must submit an outcomes-based plan and work in partnership with the department to promote community-based crime prevention.

Increased public awareness around the issue of safe communities was addressed through the promotion of the 10th annual Crime Prevention Week. Highlights of the week included the production of a planning guide, an updated web site which saw use quadruple in 2001, the honouring of 12 award recipients, the introduction of a youth leadership award and the province-wide distribution of the Crime Prevention Week wrap-up newsletter.

The personal safety brochure, the *Protection Against Family Violence Act* handbook for police training, and the ski check poster and brochure were updated to augment the crime prevention resources available to police services.

The department continued its partnership with the National Strategy on Community Safety and Crime Prevention. In July 2001, the federal government announced an expansion to the strategy by approving an additional $145 million in funding over four years. The program is co-administered by the federal government and Alberta Solicitor General.

In 2001, $99,760 was allocated through the provincial Community Crime Prevention Grant Program. Of that total, $23,870 supported aboriginal projects and $10,000 went to models of practice projects. This grant lapsed in October 2001 and was eliminated for the 2002/03 fiscal year.

Consult with interested Albertans and make recommendations for changes to policing and the Police Act.

The MLA Policing Review Committee completed its review of policing in Alberta and a report was submitted to the Solicitor General. The report is being reviewed and its recommendations will be assessed along with the recently developed strategic vision for policing. Implementation plans for policy, procedural, and legislative changes that may arise out of this review will be developed in consultation with stakeholders.

Work with policing stakeholders to develop Alberta policing standards and the means by which police services' performance in meeting these standards can be measured and compliance ensured.

The Policing Standards steering committee approved a draft Alberta Policing Standards Manual and implementation plan in June 2001. The manual was circulated to stakeholders for review and input, and posted on the department's website for public input. The steering committee approved the revised manual in principle pending a review of the MLA Policing Review Committee's report and the government's response to the report.

Develop a strategic plan for policing in Alberta in consultation with police executives and police commissions. The plan will provide a strategic vision for the work of both the MLA Policing Review committee and the Policing Standards Steering Committee.

Strategic planning sessions were held with stakeholders in April and July 2001. Three themes were identified that are important to the future vision of policing in Alberta – *leadership, equitable policing* and *citizen oversight*. A summary of the results of both visioning sessions was presented to the minister and the MLA Policing Review committee for consideration.

Continue to support the federal DNA Identification Act. The Act provides for the analysis and use of genetic material (DNA) to assist police in linking offenders to serious crimes. The recently introduced prosecution status reporting system is used to improve case management of the most serious and complex cases.

To date, the National DNA Data Bank has received a total of 24,527 samples from convicted offenders. Of these samples, 1,637 or seven per cent were submitted by Alberta.

Nationally, there have been 193 matches of crime scene to offender and 16 matches of crime scene to crime scene.

Recommend that the government bring forward amendments to the Police Act to ensure that Alberta is at the forefront of policing in Canada, upon completion of the MLA committee's review of policing and other reviews undertaken.

The MLA committee's report is being reviewed and its recommendations will be assessed along with the strategic vision for policing. Implementation plans will be developed, in consultation with stakeholders, for policy, procedural, and legislative changes arising out of these studies.

Strategic Objective 2: Enhanced services for victims

Provide effective services to victims of crime, expand the role of the victim in the criminal justice system and review current legislation from a victim's perspective.

An initial review of victims' policy and legislation was completed following the Alberta Justice Summit. To ensure that the victims' perspective was obtained, the report recommended seeking input from victims and stakeholders on proposed changes. As a result, in September 2001, the Solicitor General appointed Cindy Ady, MLA Calgary Shaw to complete a victims of crime consultation. This consultation is underway and has combined the review of existing victim legislation and policy with the development of a ten-year vision for victim programs and services in Alberta.

Evaluate and make appropriate recommendations for change to services provided under the Victims of Crime Act.

A comprehensive review of the Victims Financial Benefits Program was completed. This program provides payments to people who have suffered physical or emotional injury as a direct result of violent crime in Alberta. The payments are based on the severity of injury. Recommendations for amendments to the *Victims of Crime Act* resulting from this review were incorporated in the *Victims of Crime Amendment Act* that was proclaimed by the Alberta Legislature on November 1, 2001. The changes increased the length of time in which a victim may apply for financial benefits, streamlined the application review process, and provided authority for regulatory changes affecting eligibility to ensure benefits are provided to innocent victims of crime.

Strategic Objective 3: Community justice approaches

Work in partnership with all stakeholders and other government ministries to make restorative justice options more widely available in the province.

Stakeholder consultations indicated the department's draft community justice policy was viewed as a solid overarching statement regarding the philosophy and future direction of restorative justice in Alberta. The final report summarizing the consultations was distributed in May 2001. Part of the community justice policy implementation plan was to make over $400,000 available to support community-based restorative justice initiatives. However, as part of the government's commitment to fiscal responsibility, these funds lapsed in October 2001. Funds have been eliminated in the 2002-03 fiscal year.

In preparation for implementation of the *Youth Criminal Justice Act*, Alberta Solicitor General provided an introduction to restorative justice measures, including community conferencing for youth justice committee members and selected Correctional Services staff in March 2002. A conferencing framework has been completed which recommends that the province establish rules for conducting and convening non-judicial conferences under the *Youth Criminal Justice Act*.

Continue emphasis on offender work service contribution to their communities and continue to provide support to existing youth justice committees.

Under the provincial *Corrections Act*, all adult offenders who are physically able and are not enrolled in treatment or education programs must participate in work programs during sentences. Young offender centres also provide work crews in their local communities. The work provided by minimum-security work crews from the community, and adult and young offender correctional centres, includes maintaining and upgrading local parks, recreational facilities, cemeteries, campgrounds, community clubhouses, and other facilities, and assisting with community events. Work assignments include removing brush from hiking and ski trails, cleaning highway roadsides, and cutting grass and shoveling snow for senior citizens unable to perform these tasks themselves.

In addition to the work contributed by incarcerated offenders, a significant portion is contributed by offenders under community supervision. Together the value of providing community services to non-profit groups, municipalities and government agencies is approximately $5,310,000, assuming the labour is valued at the $5.90 per hour minimum wage.

There are 92 youth justice committees formally designated through Section 69 of the *Young Offenders Act*. Twenty provide a sentence advisory role to the local youth court judge and 73 assist in the administration of the alternative measures program. In May 2001, the department provided $170,000 in grant funding for volunteer training, coordination and appreciation, and administrative supplies. A sub-site was developed on the Alberta Justice/ Solicitor General web site to provide information to communities about youth justice committees and to provide a way to exchange information among youth justice committees.

In February 2002, Alberta Solicitor General hosted the first National Youth Justice Committee Conference with delegates from all provinces and territories in Canada. In March 2002, the department hosted a Provincial Youth Justice Committee Conference, which brought together volunteers from across the province. Support will continue to be provided to communities wishing to establish a youth justice committee.

Contingent on the capacity of the community, consider the transfer of community corrections program management to aboriginal communities expressing an interest and demonstrating a readiness. Also contingent on the capacity of the community is the transfer to community management of adult minimum-security camps.

Alberta Solicitor General has a number of agreements in place for the delivery of community corrections programs to aboriginal communities. These include agreements with the Kainai Corrections Society, the Tsuu T'ina Stoney Corrections Society, the Siksika Justice Commission, the Yellowhead Tribal Community Corrections Society, and Native Counseling Services of Alberta. Negotiations continue with the Maskwachees Justice Society to develop a community corrections agreement for the delivery of community corrections services in the Hobbema area of Alberta.

The Metis Association Zone 5 and the Kainai Community Corrections Society (KCCS) operate aboriginal correctional programs. The KCCS operates a minimum-security correctional centre in addition to the community corrections office mentioned above. The Solicitor General funds native elders, native court worker and crime prevention programs. The Metis Nation of Alberta Association Zone 5 operates an aboriginal corrections camp in Lac La Biche and Native Counseling Services of Alberta operates an aboriginal corrections camp in Westcastle.

Review and expand the Adult Alternative Measures Program where appropriate.

Alberta Solicitor General actively participates in a review of the Alternative Measures Program. The Alternative Measures Review Committee is exploring options for the potential expansion of the program.

Continue to provide effective community corrections programs for non-serious and non-recidivist offenders.

Solicitor General provides a number of community corrections programs for offenders deemed by the courts to be appropriate for community supervision. Probation officers across Alberta provide community supervision for offenders prior to trial and sentencing, offenders sentenced to community supervision orders such as probation and conditional sentences, and offenders released from custody under supervision. Offenders are required to comply with court imposed conditions to report to a probation officer, attend treatment or counseling programs, pay restitution, complete community service work, or any other conditions deemed appropriate. Attendance centers operate in Edmonton and Calgary where offenders are required to attend addictions awareness or anger management programs, or participate on supervised community service work crews for non-profit societies or other government departments.

Continue to support community-based initiatives such as the Calgary Domestic Violence Court, in facilitating the rehabilitation of offenders and promoting safe communities.

Alberta Solicitor General continues to support community-based initiatives such as the Calgary Domestic Violence Court. The Calgary Domestic Violence Court began operations in May 2000. It uses specialized crown prosecutors, probation officers, victim advocates, and police representatives from the Calgary Police Domestic Conflict Unit to address domestic violence. This specialized approach provides family violence offenders with quick access to domestic violence treatment programs. Alberta Solicitor General probation officers have a significant role in supervising domestic violence offenders sentenced to treatment by the court. The treatment component of the initiative is managed by the Alberta Mental Health Board and is co-funded by the Alberta Mental Health Board, Alberta Justice, and the Calgary community.

Strategic Objective 4: Youth justice initiatives

Expand the use of attendance centres, an expanded Alternative Measures Program, and an intensive support and supervision program as alternatives to traditional justice sanctions. At the same time, ensure the continuing availability of custody and supervision programs appropriate to holding serious and violent offending youth accountable for their criminal conduct, and continue to explore and support other restorative justice measures such as community conferencing.

The youth attendance centres, established in 1999-00, successfully address the needs of surveillance support for young offenders bound by community dispositions or temporary or interim judicial release. They also provide staff-supervised work crews that help young offenders complete community service obligations.

The Edmonton Youth Attendance Centre also offers an intensive support and supervision program. An average of 35 young offenders per month have been supervised under the program since it was implemented in October 2000. Designed to ensure a high level of supervision and intervention for higher risk youth, the program receives referrals from probation officers in Edmonton. The purpose of the program is to provide intensive support and supervision to youth less likely to successfully complete their probation or conditional sentence without enhanced support and monitoring.

Young offenders involved in the intensive support and supervision program can access all programs and components offered at the youth attendance centre, including community service; fine option programs; life skills training; addictions or anger management groups; and educational and employment programs. In addition, an aboriginal young offender intensive supervision pilot program was implemented to provide support and supervision for aboriginal young offenders on probation.

Alberta Solicitor General and Alberta Justice are working with stakeholders to implement the new *Youth Criminal Justice Act* in Alberta. Interdepartmental steering and implementation committees were established and staff were seconded to review and develop programs that are in line with the federal legislation and are appropriate for funding through the federal government's Youth Justice Renewal Strategy. An impact assessment on the two departments' information systems has been completed, and the necessary systems changes have been designed. Work is currently underway in making the required changes. A training and orientation plan was completed and implemented. Orientation sessions were provided to managers, administrators, line staff, and crown prosecutors. Negotiations on federal/provincial/territorial young offender cost sharing arrangements are complete and agreements approved.

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Work closely with Alberta Health and Wellness to make available programs that provide an appropriate treatment response to young offenders experiencing mental health problems.

In response to the recommendations of the Alberta Children's Forum and Premier's Task Force on Children at Risk, Alberta Solicitor General was allocated $1 million for 2000-01 and $2.25 million in 2001-02 to enhance mental health services for young offenders. As part of this initiative, an Alberta Solicitor General and the Alberta Mental Health Board project team reviewed mental health services available to young offenders and made recommendations for an enhanced mental health system for young offenders. A provincial young offender steering committee with membership from the Alberta Mental Health Board, Solicitor General, AADAC, Children's Services, Learning, and Aboriginal Affairs and Northern Development was established to oversee implementation of the recommendations and to coordinate ongoing mental health program development.

Mental health units were created in Calgary and Edmonton young offender centres. These units feature enhanced staffing that reduces the need for confinement. Additional psychological services provide individual and group counseling, and training for unit staff on how to best meet the needs of the young offenders. Mental health treatment programs at young offender centres were expanded using contracted psychological services. Programs to meet the therapeutic needs of female offenders were introduced to complement existing programs by providing a clinical, more intensive approach. Elders were contracted to provide individual counseling to aboriginal youth. Additional psychological and other treatment services are available to young offenders on probation.

Training opportunities are available to Solicitor General employees and contracted staff to enhance their knowledge of, and ability to appropriately respond to, youth with mental health problems. Solicitor General, in partnership with the Alberta Mental Health Board, Children's Services, and AADAC, provided $25,000 for a contract with Dr. Bruce Perry for consultation and training. Dr. Perry is a world-renowned leader in children's psychiatry and brain development.

Strategic Objective 5: First Nations policing

Review further regionalization of existing First Nations police services in consultation with First Nations.

A discussion paper "A Proposal - The Alberta First Nations Police Service" was drafted to stimulate discussion on regionalizing First Nations police services in Alberta. The Alberta Treaty Chiefs' Assembly gave Treaty 8 the lead in developing a treaty position on the concept of regionalization of First Nations policing in Alberta.

Key cross-ministry initiatives and corporate strategies

In addition to the numerous initiatives undertaken by the ministry to implement the strategic objectives, the ministry has been involved in several cross-ministry initiatives and corporate strategies. Our 2001-02 achievements toward these initiatives and strategies are outlined below:

Aboriginal Policy Initiative.

Alberta Solicitor General is a member of the Aboriginal Policy Initiative (API), one of four Government of Alberta cross-ministry initiatives. The Aboriginal Justice Initiatives Unit leads the department's participation in this initiative, and is active in all six working sub-committees. The sub-committees report to the Interdepartmental API Committee, which in turn reports to the API Champion and Supporting Deputies' Committee.

The strategies and targets identified by the API establish a framework for action through which all ministries can work together, and work with other partners on aboriginal issues in a more consistent, timely, integrated and proactive manner. The following strategies and targets identified by the Alberta Solicitor General, in partnership with Alberta Justice, promote safe communities, support economic and social stability through capacity building and self-reliance initiatives, and promote enhanced aboriginal cultural awareness within Alberta Solicitor General and Alberta Justice.

Implement standards for adequate and effective policing services as per the approved implementation plan.

Through this long-term strategy Alberta Solicitor General will engage police services and police commissions, including First Nation police services and police commissions, in the development and implementation of Alberta policing standards. During 2001-02, a draft Alberta Policing Standards Manual was approved by the Policing Standards Steering Committee and circulated to stakeholders for review and input. The manual was subsequently amended based on the input received and re-submitted to the steering committee for approval. The steering committee approved the revised manual pending a review of the MLA Policing Review Committee's report and the government's response to the report.

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Increase the number of aboriginal communities served by community justice initiatives.

Alberta Solicitor General and Alberta Justice funded 60 projects in 48 aboriginal communities in 2001-02. This is an increase of 36 per cent in the number of projects and 30 per cent in the number of communities served over 2000-01. Community justice projects include crime prevention, victims programs, youth justice committees, First Nation police services and court initiatives, as well as contracted probation and court worker services.

Provide aboriginal cultural awareness training to 370 Alberta Solicitor General and Alberta Justice staff by March 31, 2002.

Alberta Justice and Alberta Solicitor General provided aboriginal cultural training to 465 staff members in 2001-02 and exceeded the target by 26 per cent.

Children and Youth Services Initiative.

Alberta Solicitor General is committed to the goal of the Alberta Children and Youth Initiative that all children and youth in Alberta are safe, well cared for, successful at learning and healthy.

Alberta Solicitor General actively participates in joint initiatives in child prostitution prevention, children's mental health, fetal alcohol syndrome, and early childhood development.

Solicitor General co-chaired two new initiatives – one to develop a policy framework for youth in transition and another to examine information sharing issues among government departments and agencies providing services to children and youth.

Several crime prevention grants were provided to community programs focusing on children and youth. The ministry funded 14 projects related to youth through crime prevention grants and over 20 projects through the national crime prevention program co-administered by the ministry.

Three-year legislative plan.

Following completion of the MLA committee's review of policing and the Strategic Vision for Policing, *Police Act* amendments will be developed in consultation with stakeholders to ensure that Alberta is at the forefront of policing.

Human resources strategies.

Alberta Solicitor General's human resources divisional plan aligns with the government-wide Corporate Human Resource Plan. Alberta Solicitor General supports strategies for continuous learning through developmental training courses to over 600 employees to date. To help identify and develop the leaders of tomorrow, Alberta Solicitor General provided supervisory training opportunities for 60 supervisors; 17 mentoring agreements provided continuity strategies; and another 50 supervisors received positive-workplace training. Progress is monitored through employee satisfaction data.

Information management.

Alberta Solicitor General undertook a number of initiatives to ensure an effective information management system is in place to support the ministry's mandate.

A secure and private Alberta Solicitor General/Alberta Justice intranet-based Management Information Reporting (MIR) prototype is complete. It expands the ministry's capacity to report on key business plan and service delivery performance measures for MIR.

To ensure that management information conforms to national and provincial standards, Alberta Solicitor General is represented on national committees (e.g. Canadian Centre for Justice Statistics – Liaison Officer Committee) and provincial committees (e.g.. Traffic Safety Data Collection Project).

Alberta Solicitor General is represented on the Information Technology Sub-committee of the Alberta Association of Chiefs of Police. This provides an opportunity for dialogue with other levels of government in the development of integrated networks and other shared services in support of the justice system. In addition, Alberta Solicitor General works with the office of the Alberta Chief Information Officer to ensure the ministry information management initiatives are consistent with, and supportive of, provincial corporate strategies.

The requirements analysis and technical design are complete to identify changes required to ensure Alberta Solicitor General's information systems comply with the new federal *Youth Criminal Justice Act*.

The business analysis and conceptual design phase was completed for the Victims Assistance Status Tracking (VAST) system. This system will meet the requirements of the Victims of Crime Program management and the Auditor General. It will also support *Victims of Crime Act* amendments and regulatory changes.

The ministry also participates in various cross-government information technology and service delivery initiatives, including Shared Services and Service Alberta.

Forward Looking Information

The new cabinet structure introduced following the March 2001 election separated the former Alberta Justice into Alberta Solicitor General, and Alberta Justice and Attorney General. As a result, the 2001-04 Alberta Justice business plan and its five goals and accompanying performance measures were split to reflect the distinct responsibilities of the two ministries.

In 2002-05 a new goal and new performance measures that more accurately reflect the results of Alberta Solicitor General will be reported. Under goal two, relating to victims, the performance measures will more accurately reflect the experience of victims in the criminal justice system. A new measure, "Access to Victim Service Units," will be reported and the former measure of number of community initiatives will now count only those initiatives that focus on services to victims. Our new goal in 2002-05 will focus on ensuring the efficient custody, supervision and transportation of offenders. This goal will be measured by three new measures: the per diem cost for housing offenders; number of escapes; and successful transport of prisoners to court.

In addition to our previous core businesses, our core businesses in 2002-05 now include security operations and custody, and supervision and rehabilitative opportunities for offenders.

Many of the recommendations from the Justice Summit will continue to drive our actions in 2002-05. The 2002-05 business plan reflects the ministry's commitment to continue to improve. It takes into account and highlights the many issues that affect the justice system in Alberta.

The events of September 11 changed our way of life and our way of thinking. We are increasing security measures, and coordination with police agencies and other levels of government to support anti-terrorism efforts. These priorities, in addition to effective policing, crime prevention, and corrections programs, will all contribute to safe communities.

Alberta Solicitor General will also strive to find ways to improve the way we do business and make the best of our resources. We will strengthen our partnerships with our stakeholders in policing, community organizations, and local government, and with aboriginal people.

METHODOLGY

Goal 1: Promote safe communities in Alberta

- Public perception of safety in the home

As part of a business planning process emphasizing accountability and performance measurement, Alberta Solicitor General and Alberta Justice commission an annual survey to determine the public's opinion of the justice system. The key questions were first asked in an omnibus survey in 1995. In 1996, a stand-alone survey was developed by Environics West to allow for further probing of key issues. In 2002, Alberta Solicitor General and Alberta Justice commissioned Research Innovations Inc. to conduct the survey of Albertans.

The survey was last conducted between December 2001 and January 2002. Professionally trained interviewers conducted all interviews in a central telephone facility. The survey was completed on a computer-assisted telephone interviewing system, which allows for ongoing tabulation of results. Ten per cent of all interviews were monitored online.

As in previous years, a total of 750 surveys were completed. In 2002, quotas were set to ensure that the final sample of adult Albertans was representative by age, gender and geographic region (based on the 1996 Census). In previous years' surveys, quotas were not set for age, and young adults were under-represented in the final survey sample.

With a total of 750 completed surveys, the results are reliable to within +/-3.6 per cent at the 95 per cent confidence level. That is, if 50 per cent of all respondents feel safe in their homes, the results can be generalized to say that between 46.4 per cent and 53.6 per cent (plus or minus 3.6 per cent) of all Albertans feel safe in their homes.

- Public perception of safety in the neighbourhood

As described under the key measure of public perception of safety in the home.

- Victimization rate

As described under the key measure of public perception of safety in the home. Note: the target age population for the General Social Survey was 15 and greater while the target age population for the Research Innovations Inc. survey was 18 and greater. In practice, this would have very little effect on survey results.

- Crime rate

Crime is defined as the total number of *Criminal Code* incidents as reported by police, including crimes committed by youths. Violent crime involves offences that deal with the application or threat of application of force to a person. These include homicide, attempted murder, various forms of sexual and non-sexual assault, robbery and abduction. Traffic incidents that result in death or bodily harm are not included. Property crime includes involving unlawful acts with the intent of gaining property, but do not involve the use or threat of violence against an individual. Theft, breaking and entering, fraud and possession of stolen goods are examples of property crimes.

Crime statistics are collected using the Uniform Crime Reporting Survey, a common survey instrument used to measure police-reported crime in each Canadian jurisdiction. Population data from Statistics Canada is used to convert reported crime into crime rates per 100,000 population.

- Public satisfaction with the level of policing

As described under the key measure of public perception of safety in the home.

Goal 2: Provide services to victims of crime

- Number of Alberta community initiatives that work in partnership with Alberta Solicitor General

This measure is a simple count of the number of initiatives where the community and the Alberta Solicitor General act in partnership. This does not include activities of the Alberta Association of Crime Prevention and the Rural Crime Watch Program who act independently of the Alberta Solicitor General (although the ministry is a member of the associations). The count is based on the following:

First Nations police services: number of reserves policed

Victim service units (VSU): number of police services or detachments with a VSU. Where a rural (provincial) detachment and a municipal police service (RCMP or municipal) unit are located in the same town, they are counted as one detachment.

Non-police victim programs: number of agencies receiving funding

First Nations and Metis crime prevention: number of reserves and Metis Settlement Areas with a crime prevention program coordinator.

Youth justice committees: number of committees

Citizen advisory committees: number of committees

The data are obtained from respective program areas' lists of grants and funds issued and agreements signed or in effect.

- Satisfaction rate with services provided for applicants who apply for victim financial benefits

The measure is taken from a five point Likert scale question on the evaluation page of the Application for Financial Benefits form. The scale ranges from one (not very helpful) to five (very helpful). In total, 1,201 applications were received from victims in 2001-02 (some victims are involved in more than one incident and apply more than once). A sample of 803 surveys returned between April 1, 2001 to March 31, 2002 was used to calculate the result. Respondents included only those applying for financial benefits that chose to complete the survey and respond to this question, at the time they applied for benefits (in other words, not everyone who applied for financial benefits completed the survey and even if they did, not all answered this particular question).

The calculation for the percentage of satisfied respondents is as follows: the responses of "1" or "2" on the five point scale (not helpful), of 3 (neutral) and of "4" and "5" (helpful) were counted for each month. The counts were entered on a spreadsheet by month of receipt. The total of the "4" and "5" responses were calculated by one formula. Another formula was used to calculate the percentage of overall responses that rated the service as helpful ("4" and "5").

For the 4.08 out of five average response result, the methodology consisted of totaling all scores for the survey question and dividing by the total number of responses to the question for a one-year period.

Goal 3: Facilitate the rehabilitation of offenders.

- Successful completion of young offender probation dispositions

This measure is calculated by dividing the number of probation dispositions that terminate successfully by the number of probation dispositions that terminate. Probation dispositions can terminate either successfully or unsuccessfully.

A probation disposition terminates successfully when it is closed as a result of reduced supervision granted or expiration of the probation order.

Unsuccessful termination occurs when the disposition is closed on or prior to the expiration date of the probation order as a result of the offender:

- incurring a new criminal charge that results in a period of incarceration and the probation order will expire during the period of incarceration, or
- failing to report to a probation officer and a warrant being issued under the *Criminal Code of Canada.*
- having a probation violation outstanding on the expiration date.

Each month, community corrections offices report the number of probation dispositions that terminate, and whether termination was successful or unsuccessful, to head office.

- Successful completion of adult probation sentences

This measure is calculated by dividing the number of probation dispositions that terminate successfully by the number of probation dispositions that terminate. Probation dispositions can terminate either successfully or unsuccessfully.

A probation disposition terminates successfully when it is closed as a result of reduced supervision granted or expiration of the probation order.

Unsuccessful termination occurs when the disposition is closed on or prior to the expiration date of the probation order as a result of the offender:

- incurring a new criminal charge that results in a period of incarceration and the probation order will expire during the period of incarceration, or
- failing to report to a probation officer and a warrant being issued under the *Criminal Code of Canada*
- having a probation violation outstanding on the expiration date.

Each month, community corrections offices report the number of probation dispositions that terminate, and whether termination was successful or unsuccessful, to head office.

- Successful completion of temporary absence supervision

A record of offenders granted temporary absence and the number of offenders who re-offend while on temporary absence is maintained in a central database operated by the ministry.

The number of offenders who successfully complete temporary absence is determined by subtracting the number of offenders who re-offend while on temporary absence from the number of offenders granted temporary absence. The measure is then calculated by dividing the number of offenders who successfully complete temporary absence by the number of offenders granted temporary absence.

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- Per cent of offenders involved in work, education, treatment or life management programs

This measure is calculated by dividing an estimated average daily number of sentenced adult and sentenced and remanded young offenders involved in work, education, treatment or life management programs by the average daily offender population for the year.

Correctional centres throughout the province keep statistics on offender activities. Staff in each of the centres prepare a monthly offender activity report, which is forwarded to head office each month where a total is then calculated.

Staff at head office totals the number in the offender activity reports received from all centres and produces a provincial total. A centre may provide a breakdown of number of offenders involved in meaningful activities (education programs, employment, counselling), but not provide a total number of offenders involved in meaningful activities. Where a centre has indicated they do not double count (that is, offenders only appear once in one category), a research officer will total the number of offenders in each category to get a total. Otherwise, the centre will be contacted for a correct total.

- Number of hours of community service

Alberta correctional centers, camps and group homes report the total number of community hours completed by offenders serving sentences in custody in monthly offender activity reports. Community corrections officials and contracted agencies report the community hours completed by the offenders serving sentences in the community in workload statistical reports.

Information from both sources is reported to the Correctional Services Division and is presented in a monthly performance measure report. The number of community service hours reported in the monthly offender activity reports and the workload statistical reports are calculated to produce a provincial total. Information on the specific agencies and government departments for which community service is performed is not analyzed.

ALBERTA SOLICITOR GENERAL

FINANCIAL STATEMENTS

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Ministry of Solicitor General

Consolidated Financial Statements

Year Ended March 31, 2002

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AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of the Solicitor General as at March 31, 2002, and the consolidated statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policies that are exceptions from Canadian generally accepted accounting principles:

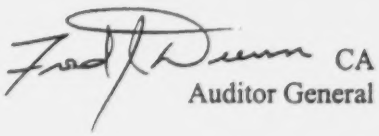
Capitalization of assets

The Ministry employs a policy of expensing new system development under $100,000 and all other capital asset purchases under $15,000. Consequently, a significant amount of resources available to the Ministry for future use has been recorded as if it had been consumed. It is estimated that at March 31, 2002 assets have been understated and net liabilities overstated by approximately $2.3 million representing the unconsumed cost of capital assets at that date. The effect of expensing rather than amortizing capital assets is to overstate expenses for the year ended March 31, 2002 by approximately $1.3 million.

Awards handled by the Crimes Compensation Board

The Victims of Crime Fund is obligated to provide ongoing monthly support payments to certain individuals as a result of awards handled by the Crimes Compensation Board prior to the repeal of the Criminal Injuries Compensation Act. As disclosed in Note 7, the Fund does not record a liability for known recurring payments. When an obligation is likely payable and can be estimated, Canadian generally accepted accounting principles require recording of a liability and an expense in the period in which the liability arose. The effect of recording this obligation as it is settled rather than when it arose is to materially understate liabilities and net liabilities at March 31, 2002.

In my opinion, except for the effects of the matters discussed in the preceding paragraphs, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2002, and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.



Fred J. Dunn CA
Auditor General

Edmonton, Alberta
May 22, 2002

Ministry of the Solicitor General
Consolidated Statement of Operations
Year Ended March 31, 2002

(in thousands)

	2002 Budget (Schedule 3)	2002 Actual	2001 Actual
Revenues (Schedule 1)			
Transfers from the Government of Canada	$ 21,516	$ 22,145	$ 20,184
Investment Income	200	223	261
Fees, Permits and Licences	325	317	324
Other Revenues	11,565	13,467	12,481
	33,606	36,152	33,250
Expenses - Directly Incurred (Note 2b and Schedule 5)			
Voted (Schedule 2)			
Ministry Support Services	5,728	5,494	4,497
Public Security	120,713	116,891	102,231
Correctional Services	114,827	121,121	111,829
	241,268	243,506	218,557
Statutory (Schedule 3)			
Valuation Adjustments			
Provision for Doubtful Accounts	100	(45)	32
Provision for Vacation Pay	167	(189)	1,029
	267	(234)	1,061
Regulated Fund			
Victims of Crime	11,600	13,034	7,741
	253,135	256,306	227,359
Net Operating Results	$ (219,529)	$ (220,154)	$ (194,109)

The accompanying notes and schedules are part of these financial statements.

Ministry of the Solicitor General
Consolidated Statement of Financial Position
As At March 31, 2002

	(in thousands) 2002	2001
Assets		
Cash	$ 4,129	$ 4,374
Accounts Receivable (Note 4)	18,090	17,143
Advances (Note 5)	5	5
Capital Assets (Note 6)	615	789
	$ 22,839	$ 22,311
Liabilities		
Accounts Payable and Accrued Liabilities	$ 44,365	$ 39,531
Net Liabilities		
Net Liabilities at Beginning of Year	(17,220)	(13,670)
Net Operating Results	(220,154)	(194,109)
Net Transfer from General Revenues	215,848	190,559
Net Liabilities at End of Year	(21,526)	(17,220)
	$ 22,839	$ 22,311

The accompanying notes and schedules are part of these financial statements.

Ministry of the Solicitor General
Consolidated Statement of Changes in Financial Position
Year Ended March 31, 2002

	(in thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ (220,154)	$ (194,109)
Non-cash items:		
Amortization	165	238
Valuation Adjustments	(234)	1,061
	(220,223)	(192,810)
Decrease (Increase) in Accounts Receivable	(902)	5,910
Decrease in Advances	-	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities	5,023	(2,161)
Net Cash Used by Operations	(216,102)	(189,060)
Investing Transactions		
Purchase of Capital Assets	(18)	(8)
Transfer of Capital Assets to Innovation and Science	27	-
Cash Provided (Used) by Investing Transactions	9	(8)
Financing Transactions		
Net Transfer from General Revenues	215,848	190,559
Net Cash (Used) Provided	(245)	1,491
Cash, Beginning of Year	4,374	2,883
Cash, End of Year	$ 4,129	$ 4,374

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF THE SOLICITOR GENERAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2002

Note 1 Authority and Purpose

The Solicitor General has been designated as responsible for various Acts by the Government Organization Act and its regulations. To fulfill these responsibilities, the Solicitor General administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of the Solicitor General.

Organization	Authority
The Department of the Solicitor General	Government Organization Act
Victims of Crime Fund	Victims of Crime Act

The Ministry's purpose is to ensure equality and fairness in the administration of public security, corrections, and victims of crime programs in Alberta. The Ministry's goals are: to promote safe communities in Alberta; to facilitate the rehabilitation of offenders; support victims of crime during police investigations and criminal court proceedings; to maintain correctional programs; and to provide grants to victims' programs and to pay benefits to victims, or their dependents, who suffer injury or death as the result of a criminal offence specified in the regulations of the Victims of Crime Act, using provincial and federal fine surcharge revenues.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of the Solicitor General for which the Solicitor General is accountable. These financial statements include the activities of the Department of the Solicitor General and the Victims of Crime Fund (a regulated fund).

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Basis of Consolidation

The accounts of the Department and the Victims of Crime Fund are consolidated after adjusting them to a basis consistent with the accounting policies described below. There were no eliminating entries required to revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between entities within the Ministry.

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses also include:

- amortization of capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services incurred by other entities in support of the Ministry's operations are disclosed in Schedule 5.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Liabilities

Liabilities include all financial claims payable by the Ministry at fiscal year end.

Net Liabilities

Net liabilities represents the difference between the value of assets held by the Ministry and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, advances, accounts payable and accrued liabilities are estimated to approximate their book values.

Note 3 Government Restructuring
(in thousands)

As a result of government restructuring announced on March 15, 2001, the Ministry of Solicitor General was established.

The 2001 figures are presented as if the Ministry of the Solicitor General had been in existence on April 1, 2000, and throughout the two-year period covered by these financial statements.

Transfer Net Liabilities from Ministry of Justice – Department	($20,493)
Transfer Net Assets from the Ministry of Justice- Victims of Crime	6,823
Net Liabilities as at April 1, 2000	($13,670)

Note 4 **Accounts Receivable**
(in thousands)

	2002			2001
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 6,883	$ -	$ 6,883	$ 8,128
Fine Surcharges	10,613	321	10,292	8,756
Other	915	-	915	259
	$ 18,411	$ 321	$ 18,090	$ 17,143

Accounts receivable are unsecured and non-interest bearing.

Note 5 **Advances**
(in thousands)

	2002			2001
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accountable advances	$ 5	$ -	$ 5	$ 5

This represents repayable accountable travel advances.

Note 6 Capital Assets

(in thousands)

	2002				2001
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	10 years	$ 5,034	$ 4,435	$ 599	$ 764
Building	40 years	17	1	16	16
Computer hardware and software	5-10 years	328	328	-	9
Total		$ 5,379	$ 4,764	$ 615	$ 789

Note 7 Commitments

(in thousands)

As at March 31, 2002, the Ministry is committed under contracts, which expire on various dates to March 2008, totaling $331,929 (2001 $326,399). This includes a commitment for the Provincial Police Service Agreement. The Provincial Police Service Agreement with Canada is a contract for the Royal Canadian Mounted Police to provide policing services to small communities and rural areas in Alberta. The term of this contract is from April 1, 1992 to March 31, 2012. The cost of this police service agreement was estimated at $94,497 (2001 $82,190). Under the terms of the agreement, Alberta may terminate the agreement with a two year notice served on March 31, in any year. The commitment, based on the minimum notice period, is estimated to be $303,000 as at March 31, 2002 (2001, $303,000), which represents payments for policing services until March 31, 2005.

The Ministry leases equipment and vehicles under operating leases, which expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

Year	(in thousands)
2003	$ 410
2004	254
2005	113
2006	23
2007	–
Total	$ 800

Note 7 Commitments (continued)

Proclamation of the Victims of Crime Act in 1997 repealed the Criminal Injuries Compensation Act, dissolving the Crimes Compensation Board. The Director under the Victims of Crime Act assumed administrative responsibility and the Fund assumed financial responsibility for future obligations associated with the former Board's compensation claims. A number of these claims involve a monthly payment for continuing loss of support or income and/or cost of care. These payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount. Recipients are also expected to advise the Fund of any significant change in circumstance or status between review dates. In March 2002, 50 eligible recipients received a monthly payment (64 eligible recipients in March 2001). The total estimated amount of all monthly payments to eligible recipients for 2002-03 is $604 (2001-02 $803).

The Victims of Crime Fund has entered into longer term funding arrangements with organizations for delivery of victim services to communities. These arrangements, subject to satisfaction of reporting and service delivery requirements, are $548 in 2002/03 and $150 in 2003/04.

Note 8 General Contingencies
(in thousands)

At March 31, 2002, the Ministry is a defendant in fifty legal claims (2001, thirty five legal claims). Forty one of these claims have specified amounts totaling $30,908 and the remaining nine have not specified any amount (2001, thirty one with specified amount of $39,767 and four with no specified amount). Included in the total legal claims are three claims amounting to $2,625, in which the Ministry has been jointly named with other entities (2001, two claims totaling $125). Forty claims amounting to $25,939 are covered by the Alberta Risk Management Fund (2001, twenty eight claims totaling $37,867).

The resulting loss, if any, from these claims cannot be determined.

Note 9 Financial Benefits
(in thousands)

As at March 31, 2002, there were 425 (2001, 303) applications for financial benefits with the Victims of Crime program. Sufficient information was received to conclude determination of eligibility and assess injuries on 67 applications (2001, 14). There were 358 applications (2001, 289) requiring additional information to make final determinations on individual applications. A liability of $188 and (2001, $35) was recorded under the regulations to the Victims of Crime Act. An additional estimated liability of $1,695 (2001, $1,433), subject to variation, was recorded based on historical information for those applications with insufficient information to make final determinations. The total amount accrued for financial benefits amount to $1,883 (2001, $1,468).

Note 10 Trust Funds Under Administration
(in thousands)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2002, the amount of the trust assets under administration net of trust liabilities held for the Institutional Trust was $411 (2001, $432).

Note 11 Payments Under Agreement
(in thousands)

The Ministry has an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of Justice Canada. Proceeds received from Canada under this agreement are in accordance with Section 10 of the Federal Seized Property Management Act resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the Ministry under authority of the Financial Administration Act, Section 25. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements.

Amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement with Justice Canada for the year ended March 31, 2002, are $264 (2001 $237) and are reflected in the Consolidated Statement of Financial Position.

Note 12 Defined Benefits Plans

(in thousands)

The Ministry participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $5,098 for the year ended March 31, 2002 (2001, $4,510).

At December 31, 2001, the Management Employees Pension Plan reported a surplus of $5,338 (2000 $170,858) and the Public Service Pension Plan reported a surplus of $320,487 (2000 $635,084). At December 31, 2001, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $399 (2000, surplus $180).

The Ministry also participates in two multiemployer Long Term Disability Continuance Plans. At March 31, 2002, the Bargaining Unit Plan reported an actuarial deficiency of $8,646 (2001 - $12,710) and Management, Opted Out and Excluded Plan an actuarial deficiency of $2,656 (2001 - $4,583). The expense for these two plans is limited to employer's annual contributions for the year.

Note 13 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Solicitor General.

Ministry of the Solicitor General Schedule 1

Schedule to Consolidated Financial Statements

Revenues

Year Ended March 31, 2002

(in thousands)

	2002		2001
	Budget	Actual	Actual
Transfers from the Government of Canada			
Young Offenders Program	$ 17,791	$ 17,791	$ 17,601
Federal Inmates Program	2,300	2,385	1,137
Other	1,425	1,969	1,446
	21,516	22,145	20,184
Investment Income - Bank Interest	200	223	261
Fees, Permits and Licences			
Private Investigator Fees	325	317	324
Other Revenues			
Fine Surcharges	11,500	13,361	12,178
Refunds of Expenditures	25	37	25
Miscellaneous	40	69	278
	11,565	13,467	12,481
	$ 33,606	$ 36,152	$ 33,250

Ministry of the Solicitor General Schedule 2
Schedule to Consolidated Financial Statements
Expenses - Directly Incurred Detailed by Object
Year Ended March 31, 2002

(in thousands)

	2002		2001
	Budget	Actual	Actual
Voted:			
Salaries, Wages and Employee Benefits (a)	$ 99,644	$ 104,883	$ 98,470
Supplies and Services (a)	138,070	135,844	116,496
Grants	3,279	2,563	3,351
Financial Transactions and Other	51	51	2
Amortization of Capital Assets	224	165	238
Total Voted Expenses	$ 241,268	$ 243,506	$ 218,557
Regulated Fund:			
Salaries, Wages and Employee Benefits	$ 478	$ 571	$ 415
Supplies and Services	1,937	587	473
Grants	9,185	11,876	6,853
	$ 11,600	$ 13,034	$ 7,741

(a) Salaries, Wages and Employee Benefits and Supplies and Services expenses for Strategic Services programs are shared with the Ministry of Justice, which contributes its own share of the expenses. Only the Ministry of the Solicitor General's portion are disclosed in this schedule.

Ministry of the Solicitor General Schedule 3

Schedule to Consolidated Financial Statements

Budget

Year Ended March 31, 2002

	(in thousands)		
	2001-2002 Estimates	**Voted Supplementary and Treasury Authorized** (a)	**2001-2002 Authorized Budget**
Revenues			
Transfers from Govt of Canada	$ 21,516	$ -	$ 21,516
Investment Income	200	-	200
Fees, Permits and Licences	325	-	325
Other Revenues	11,565	-	11,565
	33,606	-	33,606
Expenses - Directly Incurred			
Voted:			
Ministry Support Services	5,728	14	5,742
Public Security	120,713	-	120,713
Correctional Services	114,827	4,355	119,182
	241,268	4,369	245,637
Statutory:			
Valuation Adjustments:			
Provision for Doubtful Accounts	100	-	100
Provision for Vacation Pay	167	-	167
			-
	267	-	267
Victims of Crime Fund	11,600	-	11,600
Total Expenses	253,135	4,369	257,504
Net Operating Results	$ (219,529)	$ (4,369)	$ (223,898)
Capital Investment	$ 150	$ -	$ 150

(a) Supplementary Estimates were approved on March 14, 2002.

Ministry of the Solicitor General Schedule 4

Schedule to Consolidated Financial Statements

Related Party Transactions

For the Year Ended March 31, 2002

(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2002	2001
Expenses:		
Alberta Corporate Services Centre	$ 3,408	$ 107
Information Technology	517	1,304
Vehicles (CVO/EVO)	139	22
Postage	-	61
Air Transporation	4	3
Parking	2	5
	$ 4,070	$ 1,502
Capital Assets Transferred	$ 27	$ -

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 5.

	Other Entities	
	2002	2001
Expenses:		
Accomodation	$ 24,283	$ 23,583
Legal	1,280	423
	$ 25,563	$ 24,006

Ministry of the Solicitor General
Schedule to the Consolidated Financial Statements
Allocated Costs
For the Year Ended March 31, 2002

Schedule 5

(in thousands)

	2002						2001
		Expenses - Incurred by Others		Valuation Adjustments			
Program	Expenses [1]	Accomodation Costs	Legal Services	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Voted:							
Ministry Support Services	$ 5,494	$ 453	$ 14	$ 10	$ -	$ 5,971	$ 5,085
Public Security	116,891	621	103	80	-	117,695	102,420
Correctional Services	121,121	23,170	977	(305)	-	144,963	134,977
	243,506	24,244	1,094	(215)	-	268,629	242,482
Regulated Fund:							
Victims of Crime	13,034	39	186	26	(45)	13,240	7,878
	$ 256,540	$ 24,283	$ 1,280	$ (189)	$ (45)	$ 281,869	$ 250,360

(1) Expenses as per Statement of Operations, excluding valuation adjustments.

ANNUAL REPORT 2001-2002

Department of the Solicitor General

Financial Statements

Year Ended March 31, 2002

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AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Solicitor General

I have audited the statement of financial position of the Department of the Solicitor General as at March 31, 2002, and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Department is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2, including the following policy that is an exception from Canadian generally accepted accounting principles. The Department employs a policy of expensing new system development under $100,000 and all other capital asset purchases under $15,000. Consequently, a significant amount of resources available to the Department for future use has been recorded as if it had been consumed. It is estimated that at March 31, 2002 assets have been understated and net liabilities overstated by approximately $2.3 million representing the unconsumed cost of capital assets at that date. The effect of expensing rather than amortizing capital assets is to overstate expenses for the year ended March 31, 2002 by approximately $1.3 million.

In my opinion, except for the effect of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2002, and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

CA
Auditor General

Edmonton, Alberta
May 22, 2002

Department of the Solicitor General
Statement of Operations
Year Ended March 31, 2002

(in thousands)

	2002 Budget (Schedule 3)	2002 Actual	2001 Actual
Revenues (Schedule 1)			
Transfers from the Government of Canada	$ 21,516	$ 22,145	$ 20,184
Fees, Permits, and Licences	325	317	324
Other Revenue	65	98	278
	21,906	22,560	20,786
Expenses - Directly Incurred (Note 2b and Schedule 7)			
Voted (Schedules 2 and 4)			
Ministry Support Services	5,728	5,494	4,497
Public Security	120,713	116,891	102,231
Correctional Services	114,827	121,121	111,829
	241,268	243,506	218,557
Statutory (Schedules 3 and 4)			
Valuation Adjustments			
Provision for Doubtful Accounts	100	-	-
Provision for Vacation Pay	67	(215)	1,005
	167	(215)	1,005
	241,435	243,291	219,562
Net Operating Results	$ (219,529)	$ (220,731)	$ (198,776)

The accompanying notes and schedules are part of these financial statements.

Department of the Solicitor General
Statement of Financial Position
As At March 31, 2002

	(in thousands) 2002	2001
Assets		
Cash	$ 24	$ 26
Accounts Receivable (Note 4)	7,798	8,364
Advances (Note 5)	5	5
Capital Assets (Note 6)	615	789
	$ 8,442	$ 9,184
Liabilities		
Accounts Payable and Accrued Liabilities	$ 42,035	$ 37,894
Net Liabilities		
Net Liabilities at Beginning of Year	(28,710)	(20,493)
Net Operating Results	(220,731)	(198,776)
Net Transfer from General Revenues	215,848	190,559
Net Liabilities at End of Year	(33,593)	(28,710)
	$ 8,442	$ 9,184

The accompanying notes and schedules are part of these financial statements.

Department of the Solicitor General
Statement of Changes in Financial Position
Year Ended March 31, 2002

	(in thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ (220,731)	$ (198,776)
Non-cash items:		
Amortization	165	238
Valuation Adjustments	(215)	1,005
	(220,781)	(197,533)
Decrease in Accounts Receivable	566	7,583
Decrease in Advances	-	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities	4,356	(602)
Cash Used by Operating Transactions	(215,859)	(190,551)
Investing Transactions		
Purchase of Capital Assets (Schedule 4)	(18)	(8)
Transfer of asset to Ministry of Innovation and Science	27	-
Cash Provided (Used) by Investing Transactions	9	(8)
Financing Transactions:		
Net Transfer from General Revenues	215,848	190,559
Net Cash Used	(2)	-
Cash, Beginning of Year	26	26
Cash, End of Year	$ 24	$ 26

DEPARTMENT OF THE SOLICITOR GENERAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2002

Note 1 Authority and Purpose

The Department of the Solicitor General operates under the authority of the Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000.

The Department's purpose is to ensure equality and fairness in the administration of public security, corrections, and victims of crime programs in Alberta. The Department's goals are: to promote safe communities in Alberta; to facilitate the rehabilitation of offenders; support victims of crime during police investigations and criminal court proceedings; and to maintain correctional programs.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Department of the Solicitor General, which is part of the Ministry of the Solicitor General and for which the Solicitor General is accountable. These financial statements exclude the activities of the Victims of Crime Fund (a regulated fund) which is a separate entity.

The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Solicitor General is accountable.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity (continued)

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include:

- amortization of capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Department's operations are disclosed in Schedule 7.

Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end.

Net Liabilities

Net liabilities represents the difference between the value of assets held by the Department and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, advances, accounts payable and accrued liabilities are estimated to approximate their book values.

Note 3 Government Restructuring
(in thousands)

As a result of government restructuring announced on March 15, 2001, the Department of the Solicitor General was established. Responsibilities for various Acts by the Government Organization Act and its regulations relating to Public Security and Corrections were transferred from the Ministry of Justice to the new Department of the Solicitor General.

The 2001 figures are presented as if the Department of the Solicitor General had been in existence on April 1, 2000, and throughout the two-year period covered by these financial statements.

Transfer from the Ministry of Justice	($20,493)
Net Liabilities as at April 1, 2000	($20,493)

Note 4 Accounts Receivable

(in thousands)

	2002			2001
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 6,883	$ -	$ 6,883	$ 8,128
Other	915	-	915	236
	$ 7,798	$ -	$ 7,798	$ 8,364

Accounts receivable are unsecured and non-interest bearing.

Note 5 Advances

(in thousands)

	2002			2001
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accountable advances	$ 5	$ -	$ 5	$ 5

This represents repayable accountable travel advances.

Note 6 Capital Assets

(in thousands)

	2002				2001
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	10 years	$ 5,034	$ 4,435	$ 599	$ 764
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Computer hardware and software	5-10 years	328	328	-	9
Total		$ 5,379	$ 4,764	$ 615	$ 789

Note 7 Commitments
(in thousands)

As at March 31, 2002, the Department is committed under contracts, which expire on various dates to 2008, totaling $331,929 (2001 $326,399). This includes a commitment for the Provincial Police Service Agreement. The Provincial Police Service Agreement with Canada is a contract for the Royal Canadian Mounted Police to provide policing services to small communities and rural areas in Alberta. The term of this contract is from April 1, 1992 to March 31, 2012. The cost of this police service agreement was estimated at $94,497 (2001 $82,190). Under the terms of the agreement, Alberta may terminate the agreement with a two year notice served on March 31, in any year. The commitment, based on the minimum notice period, is estimated to be $303,000 as at March 31, 2002 (2001, $303,000), which represents payments for policing services until March 31, 2005.

The Department leases equipment and vehicles under operating leases, which expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

Year	(in thousands)
2003	$ 410
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2005	113
2006	23
2007	-
Total	$ 800

Note 8 General Contingencies
(in thousands)

At March 31, 2002, the Department is a defendant in fifty legal claims (2001, thirty five legal claims). Forty one of these claims have specified amount totaling $30,908 and the remaining nine have not specified any amount (2001, thirty one with specified amount of $39,767 and four with no specified amount). Included in the total legal claims are three claims amounting to $2,625, in which the Department has been jointly named with other entities (2001, two claims totaling $125). Forty claims amounting to $25,939 are covered by the Alberta Risk Management Fund (2001, twenty eight claims totaling $37,867).

The resulting loss, if any, from these claims can not be determined.

Note 9 Trust Funds Under Administration
(in thousands)

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(in thousands)

The Department has an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of Justice Canada. Proceeds received from Canada under this agreement are in accordance with Section 10 of the Federal Seized Property Management Act resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the Department under authority of the Financial Administration Act, Section 25. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements.

Amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement with Justice Canada for the year ended March 31, 2002, are $264 (2001, $237) and are reflected in the Statement of Financial Position.

Note 11 Defined Benefits Plans
(in thousands)

The Department participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $5,060 for the year ended March 31, 2002 (2001 $4,488).

At December 31, 2001, the Management Employees Pension Plan reported a surplus of $5,338 (2000 - $170,858) and the Public Service Pension Plan reported a surplus of $320,487 (2000 - $635,084). At December 31, 2001, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $399 (2000, surplus $180)

The Department also participates in two multiemployer Long Term Disability Continuance Plans. At March 31, 2002, the Bargaining Unit Plan reported an actuarial deficiency of $8,646 (2001 - $12,710) and Management, Opted Out and Excluded Plan an actuarial deficiency of $2,656 (2001 - $4,583). The expense for these two plans is limited to employer's annual contributions for the year.

Note 12 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Solicitor General.

Department of the Solicitor General
Schedule to Financial Statements
Revenues
Year Ended March 31, 2002

Schedule 1

(in thousands)

	2002		2001
	Budget	Actual	Actual
Transfer from the Government of Canada			
Young Offenders Program	$ 17,791	$ 17,791	$ 17,601
Federal Inmates Program	2,300	2,385	1,137
Native Court Worker Program	865	865	865
Other	560	1,104	581
	21,516	22,145	20,184
Fees, Permits and Licences			
Private Investigator Fees	325	317	324
Other Revenue			
Refunds of Expenditure	25	29	-
Miscellaneous	40	69	278
	65	98	278
	$ 21,906	$ 22,560	$ 20,786

Department of the Solicitor General Schedule 2
Schedule to Financial Statements
Expenses - Directly Incurred Detailed by Object
Year Ended March 31, 2002

(in thousands)

	2002 Budget	2002 Actual	2001 Actual
Voted:			
Salaries, Wages and Employee Benefits (a)	$ 99,644	$ 104,883	$ 98,470
Supplies and Services (a)	138,070	135,844	116,496
Grants	3,279	2,563	3,351
Financial Transactions and Other	51	51	2
Amortization of Capital Assets	224	165	238
Total Voted Expenses	$ 241,268	$ 243,506	$ 218,557

(a) Salaries, Wages and Employee Benefits and Supplies and Services expenses for Strategic Services programs are shared with the Ministry of Justice, which contributes its own share of the expenses. Only the Department of the Solicitor General's portion are disclosed in this schedule.

Department of the Solicitor General Schedule 3
Schedule to Financial Statements
Budget
Year Ended March 31, 2002

(in thousands)

	2001-2002 Estimates	Authorized Supplementary (a)	2001-2002 Authorized Budget
Revenues:			
Transfers from the Govt of Canada	$ 21,516	$ -	$ 21,516
Fees, Permits and Licences	325	-	325
Other Revenues	65	-	65
	21,906	-	21,906
Expenses - Directly Incurred:			
Voted:			
Ministry Support Services	5,728	14	5,742
Public Security	120,713	-	120,713
Correctional Services	114,827	4,355	119,182
	241,268	4,369	245,637
Statutory:			
Valuation Adjustments:			
Provision for Doubtful Accounts	100	-	100
Provision for Vacation Pay	67	-	67
	167	-	167
Total Expenses	241,435	4,369	245,804
Net Operating Results	$ (219,529)	$ (4,369)	$ (223,898)
Capital Investment	$ 150	$ -	$ 150

(a) Supplementary Estimates were approved on March 14, 2002.

Department of the Solicitor General **Schedule 4**

Schedule to Financial Statements

Comparison of Expenses - Directly Incurred and Capital Investment by Element to Authorized Budget

Year Ended March 31, 2002

DEPARTMENT SUMMARY
(in thousands)

Program	2001-2002 Estimates	Authorized Supplementary (a)	2001-2002 Authorized Budget	2001-2002 Actual Expense (b)	Unexpended (Over Expended)
VOTED EXPENSES:					
1 Ministry Support Services	$ 5,728	$ 14	$ 5,742	$ 5,512	$ 230
2 Public Security	120,713	-	120,713	116,891	3,822
3 Corrections	114,977	4,355	119,332	121,121	(1,789)
Total Voted Expenses	241,418	4,369	245,787	243,524	2,263
Program Operating Expenses	241,268	4,369	245,637	243,506	2,131
Program Capital Investment	150	-	150	18	132
Total Voted Expenses	$ 241,418	$ 4,369	$ 245,787	$ 243,524	$ 2,263
STATUTORY EXPENSES:					
Valuation Adjustments	$ 167	$ -	$ 167	$ (215)	$ 382
Total Statutory Expenses	$ 167	$ -	$ 167	$ (215)	$ 382
Total Voted and Statutory Expens	$ 241,585	$ 4,369	$ 245,954	$ 243,309	$ 2,645

(a) Supplementary Estimates were approved on March 14, 2002.
(b) Includes achievement bonus amounting to $386.

PROGRAM 1 - MINISTRY SUPPORT SERVICES

(in thousands)

VOTED EXPENSES

	Program	2001-2002 Estimates	Authorized Supplementary (a)	2001-2002 Authorized Budget	2001-2002 Actual Expense (b)	Unexpended (Over Expended)
1.0.1	Minister's Office	$ 292	$ -	$ 292	$ 321	$ (29)
1.0.2	Deputy Minister's Office	460	-	460	401	59
1.0.3	Communications	341	-	341	244	97
1.0.4	Strategic Services					
	Operating Expense	4,612	14	4,626	4,505	121
	Capital Investment	-	-	-	18	(18)
1.0.5	Amortization of Capital Assets	23	-	23	23	-
TOTAL PROGRAM		$ 5,728	$ 14	$ 5,742	$ 5,512	$ 230

PROGRAM 2 - PUBLIC SECURITY
(in thousands)

VOTED EXPENSES

	Program	2001-2002 Estimates	Authorized Supplementary (a)	2001-2002 Authorized Budget	2001-2002 Actual Expense (b)	Unexpended (Over Expended)
2.1	**Program Support**					
2.1.1	Program Support Services	$ 1,195	$ -	$ 1,195	$ 1,259	$ (64)
2.1.2	Law Enforcement Review Board	179	-	179	209	(30)
2.1.3	Amortization of Capital Assets	14	-	14	15	(1)
	Total Sub-program	1,388	-	1,388	1,483	(95)
2.2	**Policing Programs**					
2.2.1	Crime Prevention	1,554	-	1,554	777	777
2.2.2	Provincial Policing Programs	103,525	-	103,525	99,073	4,452
2.2.3	First Nations Policing	5,048	-	5,048	4,839	209
	Total Sub-program	110,127	-	110,127	104,689	5,438
2.3	**Provincial Security Services**					
2.3.1	Protection Services	2,528	-	2,528	2,920	(392)
2.3.2	Court Security & Prisoner Escorts	6,670	-	6,670	7,799	(1,129)
	Total Sub-program	9,198	-	9,198	10,719	(1,521)
TOTAL PROGRAM		$ 120,713	$ -	$ 120,713	$ 116,891	$ 3,822

PROGRAM 3 - CORRECTIONAL SERVICES
(in thousands)

VOTED EXPENSES

	Porgram	2001-2002 Estimates	Authorized Supplementary	(a)	2001-2002 Authorized Budget	2001-2002 Actual Expense	(b)	Unexpended (Over Expended)
3.1	**Program Support**							
3.1.1	Administration	$ 4,309	$ 180		$ 4,489	$ 4,807		$ (318)
3.1.2	Amortization of Capital Assets	187	-		187	128		59
	Total Sub-program	4,496	180		4,676	4,935		(259)
3.2	**Institutional Services**							
3.2.1	Adult Remand and Correctional Centres							
	- Operating Expense	65,804	2,685		68,489	71,717		(3,228)
	- Capital Investment	150	-		150	-		150
3.2.2	Young Offender Centres	15,092	659		15,751	16,587		(836)
	Total Sub-program	81,046	3,344		84,390	88,304		(3,914)
3.3	**Community Correctional Services**							
3.3.1	Community Corrections	12,396	638		13,034	14,222		(1,188)
3.3.2	Young Offender Services	6,119	193		6,312	3,809		2,503
	Total Sub-program	18,515	831		19,346	18,031		1,315
3.4	**Purchased Community Services**							
3.4.1	Community Residential Centres	5,712	-		5,712	4,940		772
3.4.2	Native Courtworkers	1,920	-		1,920	1,916		4
3.4.3	Community Service Contracts	3,288	-		3,288	2,995		293
	Total Sub-program	10,920	-		10,920	9,851		1,069
TOTAL PROGRAM		$ 114,977	$ 4,355		$ 119,332	$ 121,121		$ (1,789)

Department of the Solicitor General
Schedule to Financial Statements
Salary and Benefits Disclosure
Year Ended March 31, 2002

Schedule 5

	2002			2001
	Salary(1)	Benefits and Allowances(2)	Total	Total
Deputy Minister (3) (4)	$ 157,264	$ 22,633	$ 179,897	$ -
Assistant Deputy Minister, Correctional Services	123,382	29,480	152,862	151,658
Assistant Deputy Minister, Public Security	115,419	25,472	140,891	143,434
Assistant Deputy Minister Strategic Services (5)	125,033	29,126	154,159	152,617
Executive Director, Human Resources(5)	107,749	20,536	128,285	131,455

Total salary and benefits relating to a position are disclosed.

(1) Salary includes regular base pay, bonuses, overtime and lump sum payments.

(2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(3) Automobile provided, no dollar amount included in benefits and allowance figures.

(4) This is a new position effective April 1, 2001.

(5) The incumbents' services are shared with the Ministry of Justice which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.

Department of the Solicitor General Schedule 6
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2002
(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2002	2001
Expenses:		
Alberta Corporate Services Centre	$3,401	$ 105
Information Technology	507	1,294
Vehicles (CVO/EVO)	139	22
Postage	-	56
Air Transportation	4	3
Parking	2	5
	$ 4,053	$ 1,485
Capital Assets Transferred	$ 27	$ -

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 7.

	Other Entities	
	2002	2001
Expenses – Incurred by Others		
Accommodation	$24,244	$23,547
Legal	1,094	378
	$25,338	$23,925

Department of the Solicitor General
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2002

Schedule 7

(in thousands)

	2002						2001
		Expenses - Incurred by Other		Valuation Adjustments			
Program	Expenses[1]	Accomodation Costs	Legal Services	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Ministry Support Services	$ 5,494	$ 453	$ 14	$ 10	$ -	$ 5,971	$ 5,085
Public Security	116,891	621	103	80	-	117,695	102,420
Correctional Services	121,121	23,170	977	(305)	-	144,963	134,977
	$ 243,506	$ 24,244	$ 1,094	$ (215)	$ -	$ 268,629	$ 242,482

(1) Expenses as per Statement of Operations, excluding valuation adjustments.

ANNUAL REPORT 2001-2002

Victims of Crime Fund

Financial Statements

Year Ended March 31, 2002

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Statement of Changes in Financial Position 98

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Schedule of Related Party Transactions 105

Schedule of Allocated Costs 106

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

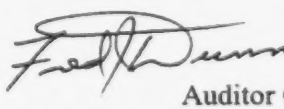
To the Solicitor General

I have audited the statement of financial position of the Victims of Crime Fund as at March 31, 2002, and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Fund is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policy that is an exception from Canadian generally accepted accounting principles. As disclosed in Note 6, the Fund is obligated to provide ongoing monthly support payments to certain individuals as a result of awards handled by the Crimes Compensation Board prior to the repeal of the Criminal Injuries Compensation Act. However, the Fund does not record a liability for known recurring payments. When an obligation is likely payable and can be estimated, Canadian generally accepted accounting principles require recording of a liability and an expense in the period in which the liability arose. The effect of recording this obligation as it is settled rather than when it arose is to materially understate liabilities and overstate net assets at March 31, 2002.

In my opinion, except for the effect of the matter described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2002, and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.


CA
Auditor General

Edmonton, Alberta
May 22, 2002

Victims of Crime Fund
Statement of Operations
Year Ended March 31, 2002

(in thousands)

	2002 Budget (Schedule 1)	2002 Actual	2001 Actual
Revenues			
Investment Income			
Bank Interest	$ 200	$ 223	$ 261
Other Revenue			
Federal Fine Surcharge	800	1,137	1,293
Provincial Fine Surcharge	10,700	12,224	10,885
Expenditure Refunds	-	8	25
	11,700	13,592	12,464
Expenses - Directly Incurred (Notes 2b and 10)			
Program Costs			
Financial Benefits	7,589	10,643	5,979
Victims Programs	3,554	1,811	1,316
Criminal Injuries Review Board	195	242	199
Administration	262	338	247
	11,600	13,034	7,741
Valuation Adjustments			
Provision for Doubtful Accounts	100	(45)	32
Provision for Vacation Pay	-	26	24
	100	(19)	56
	11,700	13,015	7,797
Net Operating Results	$ -	$ 577	$ 4,667

The accompanying notes and schedules are part of these financial statements.

Victims of Crime Fund
Statement of Financial Position
As At March 31, 2002

	(in thousands)	
	2002	2001
Assets		
Cash (Note 4)	$ 4,105	$ 4,348
Accounts Receivable (Note 5)	10,292	8,779
	$ 14,397	$ 13,127
Liabilities		
Accounts Payable and Accrued Liabilities	$ 2,330	$ 1,637
Net Assets (Note 2b)		
Net Assets at Beginning of Year	11,490	6,823
Net Operating Results	577	4,667
Net Assets at End of Year	12,067	11,490
	$ 14,397	$ 13,127

The accompanying notes and schedules are part of these financial statements.

Victims of Crime Fund
Statement of Changes in Financial Position
Year Ended March 31, 2002

	(in thousands)	
	2002	2001
Operating Transactions		
Net Operating Results	$ 577	$ 4,667
Valuation Adjustments	(19)	56
Increase in Accounts Receivable	(1,468)	(1,672)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	667	(1,559)
Net Cash (Used) Provided by Operations	(243)	1,492
Cash, Beginning of Year	4,348	2,856
Cash, End of Year	$ 4,105	$ 4,348

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2002

Note 1 Authority and Purpose

The Victims of Crime Fund (the "Fund"), a regulated fund held and administered by the Minister of Finance, operates under the authority of the Victims of Crime Act, Chapter V-3, Revised Statutes of Alberta 2000. The Solicitor General is responsible for the Fund under the authority of the Government Organization Act, Statutes of Alberta.

The purpose of the Fund is to provide grants to victims' programs and to pay benefits to victims, or their dependants, who suffer injury or death as the result of a criminal offence specified in the regulations of the Victims of Crime Act, using provincial and federal fine surcharge revenues.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies:

(a) Reporting Entity

The reporting entity is the Victims of Crime Fund, which is part of the Ministry of the Solicitor General and for which the Solicitor General is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for. Expenses represent the costs of the victims program, the costs of the financial benefits program and administration costs. Grants are recorded as expenses when approved by the Solicitor General and all terms and conditions of eligibility for payment have been met. Financial benefits are recorded as expense when the obligation to pay is likely and the amount payable on applications submitted can be reasonably estimated.

Directly incurred expenses include:

- pension costs which comprise the cost of employer contributions for current service of employees during the year
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Incurred by Others
Services contributed by other entities in support of the Fund's operations are disclosed in Schedule 3.

Assets

Financial assets of the Fund are limited to cash and accounts receivable.

Liabilities

Liabilities represent all financial claims payable by the Fund at fiscal year end.

Net Assets

Net assets represent the difference between the value of assets held by the Fund and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their book values.

Note 3 Government Restructuring

As a result of a major reorganization announced by the government on March 15, 2001, the Victims of Crime Fund was transferred from the Ministry of Justice to the newly established Ministry of the Solicitor General.

Note 4 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is being managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. The Fund earns interest on its daily cash balance at the average rate of earnings of the CCITF, which may vary depending on prevailing market interest rates.

Note 5 Accounts Receivable

(in thousands)

	2002			2001
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Fine Surcharges				
Provincial	$ 8,895	$ 224	$ 8,671	$ 7,343
Federal	1,718	97	1,621	1,413
Other	-	-	-	23
Accounts Receivable	$ 10,613	$ 321	$ 10,292	$ 8,779

Accounts receivable are unsecured and non-interest bearing.

Note 6 Commitments

(in thousands)

Proclamation of the Victims of Crime Act in 1997 repealed the Criminal Injuries Compensation Act, dissolving the Crimes Compensation Board. The Director under the Victims of Crime Act assumed the administrative responsibility and the Fund assumed financial responsibility for future obligations associated with the former Board's compensation claims. A number of these claims involve a monthly payment for continuing loss of support or income and/or cost of care. These payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount. Recipients are also expected to advise the Fund of any significant change in circumstance or status between review dates. In March 2002, 50 eligible recipients received a monthly payment (64 eligible recipients in March 2001). The total estimated amount of all monthly payments to eligible recipients for 2002-03 is $604 (2001-02 $803).

Note 7 Victims Programs

(in thousands)

The Fund has entered into longer term funding arrangements with organizations for delivery of victim services to communities. These arrangements, subject to satisfaction of reporting and service delivery requirements, are $548 in 2002/03 and $150 in 2003/04.

Note 8 Financial Benefits

(in thousands)

As at March 31, 2002, there were 425 (2001, 303) active applications for financial benefits with the Victims of Crime program. Sufficient information was received to conclude determinations of eligibility and assess injuries on 67 applications (2001, 14). There were 358 applications (2001, 289) requiring additional information to make final determinations on individual applications. A liability of $188 (2001, $35) was recorded for individual applications where sufficient information was received to confirm eligibility and where the amount could be determined under regulations to the Victims of Crime Act. An additional estimated liability of $1,695 (2001, $1,433), subject to variation, was recorded based on historical information for those applications with insufficient information to make final determinations. The total amount accrued for financial benefits amounted to $1,883 (2001, $1,468).

Note 9 Defined Benefit Plans

(in thousands)

The Fund participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The expense for these pension plans is equivalent to the annual contributions of $38 for the year ended March 31, 2002 (2001 $23).

At December 31, 2001, the Management Employees Pension Plan reported a surplus of $5,338 (2000 - $170,858) and the Public Service Pension Plan reported a surplus of $320,487 (2000 - $635,084).

The Fund also participates in two multiemployer Long Term Disability Continuance Plans. At March 31, 2002, the Bargaining Unit Plan reported an actuarial deficiency of $8,646 (2001 - $12,710) and Management, Opted Out and Excluded Plan an actuarial deficiency of $2,656 (2001 - $4,583). The expense for these two plans is limited to employer's annual contributions for the year.

Note 10 Expenses – Directly Incurred Detailed by Object

(in thousands)

	2002		2001
	Budget	Actual	Actual
Salaries, Wages and Employee Benefits	$ 478	$ 571	$ 415
Supplies and Services	1,937	587	473
Grants	9,185	11,876	6,853
Total Fund Expenses	$ 11,600	$ 13,034	$ 7,741

Note 11 Salary and Benefits Disclosure

Salary and benefits disclosure pursuant to Treasury Board Directive 12/98 is not included as management decisions on the Fund are made by Senior Officials of the Department of the Solicitor General.

Note 12 Approval of Financial Statements

These financial statements were approved by the Senior Financial Officer and the Deputy Solicitor General.

Victims of Crime Fund

Schedule 1

Schedule to Financial Statements

Comparison of Expenses Directly Incurred by Program to Authorized Budget

Year Ended March 31, 2002

(in thousands)

Program	2001-2002 Budget	Treasury Board Authorized	2001-2002 Authorized Budget	2001-2002 Actual Expense	Unexpended (Over Expended
EXPENSES:					
1 Financial Benefits	$ 7,589	-	$ 7,589	$ 10,643	$ (3,054)
2 Victims Programs	3,554	-	3,554	1,811	1,743
3 Criminal Injuries Review Board	195	-	195	242	(47)
4 Administration	262	-	262	338	(76)
Total Expenses	$ 11,600	$ -	$ 11,600	$ 13,034	$ (1,434)
STATUTORY EXPENSES:					
Valuation Adjustments	100		100	(19)	119
Total Program and Statutory Expenses	$ 11,700	$ -	$ 11,700	$ 13,015	$ (1,315)

Victims of Crime Fund
Schedule to Financial Statements
Related Party Transactions
Year Ended March 31, 2002

Schedule 2

(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial Statements. Related parties also include management in the Fund.

The Fund and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Fund had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties

	Other Entities	
	2002	2001
Expenses:		
Information Technology	$ 10	$ 11
Postage	-	5
Alberta Corporate Services Centre	7	2
	$ 17	$ 18

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 3.

	Other Entities	
	2002	2001
Expenses - Incurred by Others		
Accommodation	$ 39	$ 36
Legal	186	45
	$ 225	$ 81

Victims of Crime Fund
Schedule to Financial Statements
Allocated Costs
Year Ended March 31, 2002
(in thousands)

Schedule 3

	2002						2001
		Expenses - Incurred by Others		Valuation Adjustments			
Program	Expenses [1]	Accomodation Costs	Legal Services	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Regulated Fund:							
Financial Benefits	$ 10,643	$ 14	$ -	$ 24	$ (37)	$ 10,644	$ 6,022
Victims Programs	1,811	3	-	(2)	$ (6)	1,806	1,333
Criminal Injuries Appeal Board	242	11	186	1	$ (1)	439	257
Administration	338	11	-	3	$ (1)	351	266
	$ 13,034	$ 39	$ 186	$ 26	$ (45)	$ 13,240	$ 7,878

(1) Expenses - Directly incurred as per Statement of Operations, excluding valuation adjustments.

OTHER FINANCIAL INFORMATION

The Following Information is Unaudited

Other Financial Information

Statement of Remissions, Compromises and Write-offs for the Year Ended March 31, 2002

The following statement of compromises and write-offs has been prepared pursuant to Section 23 of the Financial Administration Act. The statement includes all compromises and write-offs of the Ministry of Solicitor General made or approved during the fiscal year.

	$ (000)
Remissions:	$ --
Compromises:	$ --
Write-offs:	
Provincial Fine Surcharges	$545
Federal Fine Surcharge	28
	$573
Total Remissions, Compromises and Write-offs	$573

ALPHABETICAL LIST OF ENTITIES' FINANCIAL STATEMENTS IN MINISTRY 2001-02 ANNUAL REPORTS

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Municipal Financing Corporation	Finance
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma' Mowe Capital Region Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	Children's Services

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY (cont'd)

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCore Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[1]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[1]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[1]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[1]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[1]	Human Resources and Employment
Ministry of Infrastructure[1]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice[1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY (cont'd)

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Persons with Developmental Disabilities Community Boards	
Calgary Community Board	Community Development
Central Community Board	Community Development
Edmonton Community Board	Community Development
Northeast Community Board	Community Development
Northwest Community Board	Community Development
South Community Board	Community Development
Persons with Developmental Disabilities Foundations[2]	Community Development
Persons with Developmental Disabilities Michener Centre Facility Board	Community Development
Persons with Developmental Disabilities Provincial Board	Community Development
Provincial Judges and Masters in Chambers Reserve Fund	Finance
S C Financial Ltd.	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation, The	Community Development

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	*Ministry Annual Report*
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Reseach	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan -Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan -Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Universities Academic Pension Plan	Finance
Workers' Compensation Board	Human Resources and Employment

[1] Ministry includes only the department so separate department financial statements are not necessary.

[2] Dissolved June 2001